

MATZIKAMA MUNICIPALITY

2012/2017

INTEGRATED DEVELOPMENT PLAN

FINAL REVISION

(2016/2017)

MATZIKAMA MUNICIPALITY COUNCILLORS

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R E V I S I O N 4

01 JULY 2016 - 30 JUNE 2017

**PLEASE NOTE, THIS REVISED AND AMENDED INTEGRATED DEVELOPMENT PLAN SUPERCEDES
ALL PREVIOUS INTEGRATED DEVELOPMENT PLANS.**

1.1 OVERVIEW OF THE INTEGRATED DEVELOPMENT PLAN

The Integrated Development Plan of the Matzikama Municipality is the over-arching strategic plan of the organization. The logical structure followed by this strategic plan to achieve its goals contains three vital elements including a diagnosis, a guiding policy or strategy and coherent action plan. The revised and amended IDP is thus Council's blueprint in terms of how the Council of Matzikama Municipality anticipates achieving its objectives for the next year (2016-2017).

It is important to note that the ultimate purpose of the IDP is to articulate the vision of the Council of Matzikama and how to accomplish that vision by achieving a number of predetermined objectives.

Furthermore, it is important to note that the IDP is not a summary of the respective sector plans as it is strategic in nature at large whilst the sector plans are more operationally orientated. The IDP aligns the strategies of Council with Provincial and National goals ensuring that sector plans are aligned with provincial and national strategic objectives and outcomes. For this reason it is Important to read the IDP in conjunction with the Service Delivery and Budget Implementation Plan (SDBIP).

The IDP comprise two processes, one the compilation of the plan as referred to in section 25 of the Municipal Systems Act (Act 32 of 2000) and two, the annual planning as referred to in section 34 of the Municipal Systems Act (Act 32 of 2000). The first process comprises the compilation of the actual plan and the second process is the annual revision or the testing of the validity of the strategies of the plan. Key to strategic planning is that the actual strategies which form the basis are not annually amended as it is long-term and not operational. However, annual revision of the plan allows for inputs by all role players as the document is a live one and does make provision for changes especially those that impact on the strategic goals of the Council and its Communities.

On 1 July 2012 the Matzikama Municipality implemented a new five year Integrated Development Plan (IDP) for the period July 2012 – June 2017 that reveals council's strategy for the same period.

The 4th and final review of the IDP commenced in September 2015 following approval of the proposed plan time-schedule.

1.2 LEGAL REFERENCE

The IDP is compiled according to the Municipal Systems Act (Act 32 of 2000) section 25. In line with the same Act; the Matzikama Municipality adopted the IDP as its principal strategic planning instrument to guide and inform its planning, management and development. It binds the Municipality in the exercise of its executive authority, except in cases where it conflicts with national or provincial legislation, in which case such legislation prevails. Furthermore, it compels all other persons to the extent that those parts of the IDP that impose duties or affect the rights of such people have been passed as a by-law. Section 26 of the Municipal Systems Act (Act 32 of 2000) requires that the IDP reflect the following core components:

- the municipal council's vision for long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs
- an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs
- the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- a spatial development framework which must include the provision of basic guidelines for a land use management system

- the council's operational strategies;
- applicable disaster management plans;
- a financial plan, which must include a budget projection for at least the next three years; and
- key performance indicators and performance targets.

1.3 INTEGRATED DEVELOPMENT PLAN INTENT

Apart from the fact that Municipalities are legally obliged to develop and adopt IDP's its ultimate purpose is to serve as an instrument of Council and its partners to accomplish the vision of Council through the successful implementation of the strategies and implementation plans. These strategies were developed by the Council of Matzikama Municipality following a comprehensive consultation process with all the Communities in the Municipal area. The IDP does a number of things but first and foremost it enables the Municipality to manage the process of achieving its strategic objectives including but not limited to:

- The IDP through its public participation processes makes provision for Council to be informed of the challenges faced by its social partners
- Through its integrated processes and programs the IDP equip Council to develop strategies and projects to resolve the challenges of its social partners in a manner that is effective and efficient
- The IDP facilitate the removal of the silo-approach to development practices with the intent to expedite delivering of services amongst other things
- Because the IDP is the only strategic plan that guide development it is instrumental in guiding other spheres of government, the private sector and aid organizations to allocate funds for projects that is aligned with the developmental objectives and strategies of the Municipality
- The IDP is a key strategy of the government to strengthen democracy and transform institutions
- The South African government system comprise three spheres of government that must work together to bring effective and efficient services to the public. The IDP is

instrumental in facilitating and coordinating inter-governmental processes between the three spheres of government that is needed to deliver services to the public

1.4 THE GEOGRAPHICAL SPACE OF THE MUNICIPALITY

The Matzikama Municipality is a category B municipality proclaimed in terms of Provincial Notice No 481/2000 of September 2000. As of May 2011 the previous district managed area to

the north (showing in purple on the map) of the Matzikama has been incorporated as per notice in the Provincial Gazette Extraordinary 6825. As a result the geographical area of the Municipality increased from roughly 8000 km² to slightly less than 13000 km². The municipal area comprises 17 towns and or villages that are divided into 8 wards. These towns and villages include Doring Bay, Strandfontein, Papendorp, Ebenaeser, Lutzville-West, Lutzville, Koekenaap, Vredendal, Klawer, Vanrhynsdorp, Nuwerus, Bitterfontein, Kliprand, Put-se-Kloof, Rietpoort, Molsvlei and Stofkraal. Furthermore, the Municipality is also home to 457 farms (irrigation and livestock) covering a geographic area of 70 576 hectares. Matzikama is characterized by an arid environment but is served by a life-giving arterial namely the Olifants River. The river with its associated canal systems supports the agricultural sector that is mainly built on viniculture. Apart from the newly incorporated area to the north as well as the towns of Doring Bay, Strandfontein and Vanrhynsdorp the rest of the population is concentrated along the river and canal system.

Vredendal is by far the most densely populated and developed town in the municipal area, and it is strategically located rendering it the logical economic and administrative centre of the Municipality.

2.1 INTRODUCTION

One of the key challenges facing municipalities is the low levels of community involvement in the development, implementation and monitoring and evaluation processes of municipalities. Unfortunately, this undesirable state of affairs is not supporting the notion of public participation and is in direct conflict with the letter and spirit of government's policies in relations to building a developmental local government. Public participation is intended to build on the commitment of the democratic government to deepen democracy, which is embedded in the Constitution.

According to the White Paper of 1998 on Local Government developmental local government means a local government committed to work with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. The IDP is a mechanism and instrument that seeks to give meaning and effect to developmental local government, where people themselves are active participants in the identification of needs, priorities and strategies for the reconstruction and development of communities.

2.2 PUBLIC PARTICIPATION STRUCTURES

Understanding the need for effective public participation processes the Matzikama Municipality created over the last 10 years in conjunction with all role players public participation structures with representation from all walks of society. The following structures exist in the Matzikama and are consulted by the Municipality on a scheduled and regular basis, as per the schedule in the process plan, to give meaningful effect to public participation.

Public Participation Structures	Composition of Structures
Ward Committees	<p>The following stakeholders are represented on the committee:</p> <ul style="list-style-type: none"> • The youth • Non-governmental organizations • Local business chamber • Sports organizations • Community dev. organizations • The farming communities • Broader community representation • School governing bodies • Community Policing Forums • Faith-based organizations • CDWs – Ex-official status
IDP Representative Forum	Ward committee representatives, municipal officials and provincial and national sector departments make up the IDP representative forum.
Local Economic Development (LED) Forum	<p>The following stakeholders are represented on the LED forum:</p> <ul style="list-style-type: none"> • Nominated members of ward committees • Business chambers • Commercial farmers • Emerging farmers • Black business forums • Industrial bodies • Labour • The youth • Non-governmental organizations
Public Meetings	The general public

The diagrams below provide an elaborated view of the various community structures created by the Matzikama Municipality as the representatives of the public partnership component of the Municipality. These structures are consulted as per the schedule in the process plan of the municipality.

2.2.1 Ward Committees

Ward committees play a key role in the public participation processes of the Municipality. They are the conduit through which communication between Council and the Communities are taking place.

Modus Operandi of ward committees

Ward Committees have bi-monthly meetings in addition to special meetings and workshops. Submissions to council are made via the Speaker's office. Responses from Council would form part of the agenda of the ward committee meeting at the following meeting. Ward committee meetings are fully funded by the Municipality. In addition to expenses that are paid to every ward committee member the Municipality provide refreshments at every meeting make all arrangements for the meeting and provide the secretarial function if needed. The Matzikama Municipality comprise of 8 wards, see wards make-up below.



The total geographical area of the Municipality is slightly less than 13 000 km². As can be seen from the map above the municipal area is made up of 8 wards. The ward with the largest geographic space and the most sparsely populated is ward 8. Ward 4 has the smallest geographic area and is the most densely populated.

WARD COUNCILLOR




MATZIKAMA - WARD 6



Beula Julies



Legend

-  Railway
-  Provincial streets and roads
-  River

0 1 2 4 6 8
Kilometers



2.2.1.1 Ward Committee Challenges

It is evident from the table below that ward committees are still struggling to function effectively based on the number of meetings held compared to meetings scheduled. The Municipality's ward committee policy obliges ward committees to conduct bi-monthly meetings.

Ward	Scheduled ward committee meetings	Scheduled sector meeting	Meetings held	
			Ward committee meetings	Sector meetings
1	<ul style="list-style-type: none"> • 15 SEPTEMBER 2015 • 10 NOVEMBER 2015 • 1 FEBRUARIE 2016 • 25 APRIL 2016 • 1 June 2016 	<ul style="list-style-type: none"> • 29 FEBRUARY 2016 TO 31 MARCH 2016 • 1 MAY 2016 TO 31 MAY 2016 	<ul style="list-style-type: none"> • 7 SEPTEMBER 2015 • 8 DECEMBER 2015 	None
2	<ul style="list-style-type: none"> • 8 SEPTEMBER 2015 • 1 FEBRUARY 2016 • 25 APRIL 2016 • 1 JUNE 2016 	<ul style="list-style-type: none"> • 29 FEBRUARY 2016 TO 31 MARCH 2016 • 1 MAY 2016 TO 31 MAY 2016 	<ul style="list-style-type: none"> • 8 SEPTEMBER 2015 • 8 DECEMBER 2015 • 23 FEBRUARY 2016 	None

Ward	Scheduled ward committee meetings	Scheduled sector meeting	Meetings held	
			Ward committee meetings	Sector meetings
3	<ul style="list-style-type: none"> • 15 SEPTEMBER 2015 • 10 NOVEMBER 2015 • 2 FEBRUARY 2016 • 26 APRIL 2016 • 2 JUNE 2016 	<ul style="list-style-type: none"> • 29 FEBRUARY 2016 TO 31 MARCH 2016 • 1 MAY 2016 TO 31 MAY 2016 	<ul style="list-style-type: none"> • 8 SEPTEMBER 2015 	None
4	<ul style="list-style-type: none"> • 11 AUGUST 2015 • 15 SEPTEMBER 2015 • 10 NOVEMBER 2015 • 8 FEBRUARY 2016 • 26 APRIL 2016 • 2 JUNE 2016 	<ul style="list-style-type: none"> • 29 FEBRUARY 2016 TO 31 MARCH 2016 • 1 MAY 2016 TO 31 MAY 2016 	<ul style="list-style-type: none"> • 15 OCTOBER 2015 • 8 FEBRUARY 2016 	None
5	<ul style="list-style-type: none"> • 11 AUGUST 2015 • 13 OCTOBER 2015 • 8 DECEMBER 2015 • 2 FEBRAURY 2016 • 5 APRIL 2016 • 7 JUNE 2016 	<ul style="list-style-type: none"> • 29 FEBRUARY 2016 TO 31 MARCH 2016 • 1 MAY 2016 TO 31 MAY 2016 	<ul style="list-style-type: none"> • 13 OCTOBER 2015 • 2 FEBRAURY 2016 	None
6	<ul style="list-style-type: none"> • 23 JULY 2015 • 17 SEPTEMBER 2015 • 26 NOVEMBER 2015 • 3 FEBRUARY 2016 • 27 APRIL 2016 • 3 JUNE 2016 	<ul style="list-style-type: none"> • 29 FEBRUARY 2016 TO 31 MARCH 2016 • 1 MAY 2016 TO 31 MAY 2016 	None	None
7	<ul style="list-style-type: none"> • 20 AUGUST 2015 • 15 OCTOBER 2015 • 7 DECEMBER 2015 • 4 FEBRURARY 2016 • 28 APRIL 2016 • 7 JUNE 2016 	<ul style="list-style-type: none"> • 29 FEBRUARY 2016 TO 31 MARCH 2016 • 1 MAY 2016 TO 31 MAY 2016 	<ul style="list-style-type: none"> • 18 AUGUST 2015 • 15 OCTOBER 2015 • 8 DECEMBER 2015 • 4 FEBRUARY 2016 	None
8	<ul style="list-style-type: none"> • 20 AUGUST 2015 • 15 OCTOBER 2015 • 4 FEBRUARY 2016 • 28 APRIL 2016 • 7 JUNE 2016 	<ul style="list-style-type: none"> • 29 FEBRUARY 2016 TO 31 MARCH 2016 • 1 MAY 2016 TO 31 MAY 2016 	<ul style="list-style-type: none"> • 22 OCTOBER 2015 	None

Equally alarming is the absence of sector meetings in all wards. Ward committee members, by implication, do not have a mandate from their respective sectors when attending committee meetings. There are many reasons for the poor functioning of ward committees however;

unemployment amongst members seems to be a key factor in this regard. Attending meetings is less important while generating an income or finding employment takes preference over anything else. Fuelling the poor functioning of the ward committees is the less than favourable financial position of the Municipality. Financially, the Municipality is unable to address the needs of the Community. Moreover, Provincial and National Government are failing to fulfil their responsibility in terms of section 154 of the Constitution especially with respect to providing support to promote local economic development.

2.2.3 LOCAL ECONOMIC DEVELOPMENT FORUM (LEDF)

Modus Operandi

The Local Economic Development Forum conducts quarterly meetings apart from special meetings and workshops. The committee deliberates on issues pertaining to economic development and make recommendations to Council. Members are nominated by mother bodies to which they are accountable to. The forum is affiliated to the West Coast District LED Managers Forum which in turn is affiliated to the Provincial LED Manager's Forum.

2.2.4 WIDER COMMUNITY ENGAGEMENTS

Modus Operandi

This structure conducts meeting at least three times per annum. The structure deliberates on issues pertaining to the IDP, budget, municipal policies, basic services, economic development and services in general. Issues flowing from these meetings are presented to Council for consideration after which it finds a space in the IDP or other relevant documentation and strategies.

2.3 PUBLIC PARTICIPATION PROCESS

Matzikama Municipality, in support of the principles of good governance, subscribes to the comprehensive definition of public participation which aims to strengthen democracy through institutions such as ward committees, IDP representative forums, LED forums and the participation of NGO's to inform council decisions. Public participation focuses on sharing responsibility for service delivery with communities, empowering communities and as required by law, moving government to consult and involve communities in the running of its affairs.

Public participation is defined as an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making of the Municipality. It is further defined as a democratic process of engaging people, deciding,

planning, and playing an active part in the development and operation of services that affect their lives within the municipality.

By definition a municipality in the South African context is a partnership comprising Councillors, Administration and the Public hence the need for public participation processes that does not only give meaning to the definition but allow the public component of the partnership to actively get involved in the running of the organization. The public participation processes followed by the Matzikama Municipality to develop the five year strategy unfolded over a period of 6 months that commenced in July 2011 after which it culminated in a strategic planning session of the Council in December 2011. A similar process in support of the first revision (2012-2013) of the IDP started in September 2012 in line with the process plan and concluded 03 May, 2013. The second revision (2014-2015) of the IDP started in October 2013, and the third revision (2015-2016) of the IDP started in September 2014.

Aligning the modus operandi of the Matzikama Municipality with the vision Government has for public participation, linked to our own experience the Matzikama municipality will continue to promote public participation for the following reasons.

- Firstly, public participation is encouraged because it is a legal requirement to consult.
- Secondly, it could be promoted in order to make development plans and services more relevant to local needs and conditions.
- Thirdly, participation may be encouraged to encourage partial responsibility for services and promote community action.
- Lastly, public participation could be encouraged to empower local communities to have control over their own lives and livelihoods.

2.4 THE LEGAL REFERENCE

The Constitution of South Africa of 1996, the Municipal Systems Act 32 of 2000 and the Municipal Structures Act 117 of 1998 all provide protection and guarantee proper community involvement in the affairs of government at its lowest form where the lives of citizens are directly affected by the decisions of such government. Community participation, being a legal

requirement for the provision of services to communities sets the tone for direct involvement by communities in the nature and prioritisation of services.

2.5 IDP REVISION: PUBLIC PARTICIPATION PROCESS

The Matzikama Municipality conducted a thorough and extensive consultation process with all stakeholders including all sectors of the public, administration and councillors of Matzikama Municipality. The table below provides the reader with information with respect to the meetings and workshops held for the third revision (2016/17) of the five year strategy.

DATE	STAKEHOLDER	ACTIVITY	DESCRIPTION OF ACTIVITY
SEPTEMBER 2015			
7, 8, 9, 10 & 11	Ward Committee Members	Ward committee workshops to revise IDP	Confirmation and re-prioritization of municipal and sector departments needs by ward committees
14, 15, 16, 17, 18, 21 & 22	Matzikama Public	Community participated in the revision of the IDP	Community participation in revising the IDP ward plans
NOVEMBER 2014			
	Ward committee, Councillors, Officials	Community Based Planning (CBP) workshop	Community based planning workshop in the ward 2
APRIL 2015			
4, 5, 6, 7, 11, 12, 13, 14, 15, 18, 19, 20	Ward Meetings	Community participation in revising the IDP, SDBIP & Budget	Community participation in revising the IDP
MAY 2015			
6 May	Councillors and Directors	1 day Workshop	Considered public comment for inclusion in the IDP and budget

2.5.1 Communicating public participation processes to all stakeholders

In order to meet the legal requirements in terms of public participation the Matzikama Municipality use different forms of communication to make sure the public plays an active role

in the development process of the Municipality. The following forms of communication were used:

- The local press including the Municipality's newspaper
- On air engagements with the Municipal Manager and the Speaker
- The local radio station announced the events three times per day over the two week period of the public meetings
- Internal communication facilities such as email
- Public notice boards located in the municipal area
- Loud halers
- Door-to-door flyers

Ward information is published in the Municipality's own quarterly newspaper; including contact details of the committee members and other relevant information. Community participation is specifically encouraged during the following processes: IDP and annual IDP review, drafting and tabling of the annual report, annual budget, policies and other activities that require community input or involvement.

2.6 Improve the functionality of ward committees

One of the key challenges threatening the establishment of a developmental government in the Matzikama Municipality is the poor functioning of the ward committees. The key challenge, in terms of the functioning of ward committees, is the absence of meetings between ward committee members and the sectors they represent on the committees. By implication this means that ward committee members attend meetings without a mandate from their sectors they representing.

With the help of the DLG, the Municipality is able to establish a Public Participation Unit (PPU) consisting of 4 personnel. The IDP official and three additional personnel will make the PPU. The three additional personnel will have the sole responsibility to work with ward committees and public participation related matters and issues. In this way the Municipality will ensure

improved functioning of ward committees and public participation in general. Part of the responsibilities of the additional personnel include but is not limited to take care of all meetings (committee, sector, public, IDP representative and LED Forum). Moreover, the additional personnel will also ensure that ward needs as identified at meetings will be channelled to the director responsible for it. The diagram below represents the proposed ward committee model in terms of how committees will function in the future.

3.1 INTRODUCTION

The South African government system comprise three spheres of government that *must* work together to bring effective and efficient services to the public. It is therefore of critical importance that the development plans of the three spheres of Government including goals, objectives and outcomes are aligned to deliver good quality services, expedite the development process and optimize resource utilization. This chapter provides a clear picture of how strategic objectives of the Matzikama Municipality are aligned with those of other spheres of Government.

Important to note is that unless provincial and national governments effectively meet their constitutional obligation as per section 154 of the Constitution of South Africa the role of local government becomes futile.

The chapter also elaborates on National and inter-national programs and how these programs influence the thinking of the Matzikama Council in devising strategic objectives and strategies.

This section of the IDP provide and understanding of the underlying factors that influenced the setting of goals, strategic objectives and strategies of the Council of the Matzikama Municipality. Furthermore, this section emphasize the presence of a very important ingredient in the development recipe of local government which if non-existent or of mediocre quality negate the purpose of developing an integrated development plan. ***Unless provincial and national governments effectively meet their constitutional obligation in section 154 of the Constitution of South Africa the role of local government becomes futile.***

If the comments and consultations with and by communities carry any weight some sector departments in Provincial and National Government appeared to have failed in delivering on their constitutional obligation in terms of section 154 of the Constitution.

3.2 INTERGOVERNMENTAL RELATIONS

3.2.1 An overview in relation to challenges experienced by the Municipality

Section 154 (a) of the Constitution of South Africa oblige provincial and national governments to support local government. The constitution articulates that “The national government and provincial government, by legislation or other measures, must support and strengthen the capacities of municipalities to manage their own affairs, to exercise their powers to perform their functions”. The reality is that this constitutional obligation is neglected to a lesser or larger extent. The poor performance of national and provincial government in terms of section 154 of the constitution is evident in the increasing community needs centred on the constitutional functions allocated to these spheres of government.

Effective intergovernmental relations are the very foundation that the hopes of the communities rest on. The needs of the communities are not confined to the functions of local government hence the need for effective and efficient cooperation between all three spheres of government. Matzikama Municipality is of the opinion that provincial and national government sector departments should be exposed to an M&E process that measures their contribution or failure to meeting the goals and strategic objectives of the council’s of local government. Planning and implementation in isolation of these goals end up in unilateral developments that stir the anger in South African citizens evident on our TV screens.

As municipalities and other spheres of government we know how important it is for a good relationship to exist between the three spheres of government. So much so that all of our strategic planning processes and ensued documents contain these proposed actions and words which is “good cooperation between spheres of governments”. Unfortunately, past practices are evident of our failures to make cooperative government work.

The Policy and Advisory Services of the Presidency defines intergovernmental alignment or harmonising of activities and structures as: “a process entailing structured and systematic dialogue within government with a view to bringing about coordinated and integrated action among the spheres of government and between the spheres and other organs of the state to achieve common objectives and maximise development impact.” This calls for a shared approach to planning and alignment between the National Spatial Development Perspective (NSDP), the Economic Development Partnership the West Coast District Integrated Development Plan and the Matzikama Municipality IDP.

As government we have mastered the technique to align goals, outcomes, objectives and strategies between different spheres of governments but we have yet to master the technique to achieve the outcomes associated with those goals and strategies. The lessons learned over the years are indicative of the missing ingredient which is effective and efficient cooperative government. In order to achieve effective and efficient working relations between spheres of government the Matzikama Municipality will strengthen its own foundations for development with the creation of a local intergovernmental dialogue that meet at least bi-monthly with the only agenda being ‘our contribution and progress toward achieving the objectives of Council’ which cuts across the constitutional functions of all three spheres of government.

3.3 MILLENNIUM GOALS

In 2000, 189 nations including South Africa made a promise to free people from extreme poverty and multiple deprivations. This pledge became the eight Millennium Development Goals (MDGs) to be achieved by 2015 of which 3.8 years remain. In September 2010, the world recommitted itself to accelerate progress towards these goals. The aim of the MDGs is to encourage development by improving social and economic conditions. It provides a framework for the entire international community to work together towards a common end i.e. making sure that human development reaches everyone, everywhere. The MDGs focus on three main areas of human development viz. bolstering human capital, improving infrastructure and increasing social, economic and political rights. If these goals are achieved, world poverty will be reduced, lives will be saved, and people will have the opportunity to benefit from the global economy. The eight MDGs which have been identified include:

1. Eradicate extreme poverty and hunger;
2. Achieve universal primary education;
3. Promote gender equality and empower women;
4. Reduce child mortality;
5. Improve maternal health;
6. Combat HIV/AIDS, malaria and other diseases;
7. Ensure environmental sustainability;

8. Develop a Global Partnership for Development.

The Matzikama Municipality subscribes fully to these goals as evident by the Council's vision, strategic objectives and set of strategies. Effective intergovernmental relations have an important role to fulfil in accomplishing these MDGs. In particular the alignment of planning tools between spheres of government provide a solid foundation for further development of these objectives

3.4 NATIONAL OUTCOMES

The twelve national outcomes address collectively the ten strategic priorities of government. These ten strategic priorities that government will pursue in their five year electoral period ending 2014 include:

- I. *Speeding up growth and transforming the economy to create decent work and sustainable livelihoods.*
- II. *Massive programme to build economic and social infrastructure*
- III. *Comprehensive rural development strategy linked to land and agrarian reform and food security*
- IV. *Strengthen the skills and human resource base.*
- V. *Improve the health profile of all South Africans*
- VI. *Intensify the fight against crime and corruption.*
- VII. *Build cohesive, caring and sustainable communities.*
- VIII. *Pursuing African advancement and enhanced international co-operation*
- IX. *Sustainable Resource Management and use*
- X. *Building a developmental state including improvement of public services and strengthening democratic institutions.*

Government continuously over the last 20 years improved access to services and increase its expenditure on service delivery however, we are still not achieving the outcomes necessary to ensure adequate progress to create a better life for all especially to the poorest of the poor and other vulnerable groups. Our communities are still impatient and rightly so as the quality, relevance and adequacy with government's services and delivery are still lacking. In a further attempt by government to improve on the deficiencies, twelve national outcomes linked to the

strategic priorities were developed and used to draw up performance agreements for each of the national ministers to amongst others improve the quality and standards of service delivery.

These national outcomes include:

- Improved quality of basic education
- A long and healthy life for all citizens
- All people in South Africa are and feel safe
- Decent employment through inclusive economic growth
- A skills and capable workforce to support an inclusive growth path
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable and sustainable rural communities with food security for all
- Sustainable human settlements and improved quality of households life
- A responsive, accountable, effective and efficient local government system
- Environmental assets and natural resources that are well protected and continually enhanced
- Create a better South Africa and contribute to a better and safer Africa and world
- An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship

Matzikama Municipality developed goals, objectives and strategies that are aligned with some of these outcomes however, achieving the outcomes remain a challenge. Effective intergovernmental relations stand in the way of achieving the challenge posed by historical mediocre performance of government departments to achieve outcomes developed on paper. National outcome 9 in particular provides the space for local government to improve its functioning so as to ensure an accountable, responsive, effective and efficient local government system. Achieving outcome 9 will restore the confidence of citizens in the local government sphere as well as improve performance and professionalism and strengthen partnerships between local government, communities and civil society.

3.5 THE NATIONAL DEVELOPMENT PLAN

3.5.1 Overview of the NDP

The NDP is a national vision and long-term strategic plan for South Africa aimed at eliminating poverty and reducing inequality by 2030. The vision statement to guide the plan says *“We the people of South Africa have journeyed far since the long lines of our first democratic election on 27 April 1994 when we elected a government for us all. Now in 2030 we live in a country which we have remade”*

The vision emphasizes the dream to live in a country which we (the people of South Africa) have remade and we have 27 years to do that. The vision adopted by the Government (national, provincial and local) was crafted to conquer the following challenges identified by the National Planning Commission appointed by President Jacob Zuma in 2010. These challenges include:

1. Too few people work

2. The quality of school education for black people is poor
3. Infrastructure is poorly located, inadequate and under-maintained
4. Spatial divides hobble inclusive development
5. The economy is unsustainably resource intensive
6. The public health system cannot meet demand or sustain quality
7. Public services are uneven and often of poor quality
8. Corruption levels are high
9. South Africa remains a divided society.

Background in terms of support for the adoption and implementation of the plan

“The Plan has been adopted as a National Plan for the whole country. It is our roadmap for the next 20 years. All the work we do in government is now part of the comprehensive National Development Plan, including all operational plans be they social, economic or political” – President Jacob Zuma, 03 February, 2013.

The plan has been adopted by the National Government in September, 2012 and by the conference of the African National Party in December, 2012. Implementation of the plan has begun in January, 2013.

The Western Cape Government responded to the call of National Government in the words of Premier Helen Zille as follows:

“This is a milestone for our country. We agree that to tackle our many problems and the legacy of the past, we need good leadership at every level of society, a capable state, and an active citizenry. ... the time for discussing the plan is over; the time for implementation has begun” – Premier Helen Zille, 22 February 2013.

3.5.2 NDP – IDP alignment

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
Chapter 3: Economy and Development	Reduce unemployment	The Matzikama aligns through its strategic objective No. 1 that seeks to reduce poverty and unemployment	<ul style="list-style-type: none"> • Matzikama Aquaculture Development Initiative • Matzikama Emerging Farmer Development program • Matzikama Recycling and Manufacturing program • Matzikama Tourism Development Strategy 	<ul style="list-style-type: none"> • Operation Phakisa • Aquaculture Development Enhancement Program • Comprehensive Agriculture Support Program • DMR-Social and Labour Plan • Increasing the capacity of the Clanwilliam Dam and the water conveyance capacity
Chapter 4: Economic Infrastructure	Provision and sustainability of services	The Matzikama aligns through its strategic objective No. 4 that seeks to promote access to adequate, affordable and well-maintained basic service	<ul style="list-style-type: none"> • Matzikama Aquaculture development Initiative • Sewage infrastructure development program • Development of Agriculture sector 	<ul style="list-style-type: none"> • Back to Basics • Municipal Infrastructure Grant • Operation Phakisa • Comprehensive Rural Development Program • Agri Parks program
Chapter 5: Environmental sustainability and resilience:	Ensuring an environmentally sustainable economy	The Matzikama aligns through its strategic objective No. 7 that seeks to promote a sustainable natural and built environment	<ul style="list-style-type: none"> • Recycling of solid waste and manufacturing • Environmentally friendly agriculture projects • Renewable energy developments 	<ul style="list-style-type: none"> • DEA-Waste Management Program • DMR-Social and Labour Plan • Government renewable energy development plan - NERSA

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
Chapter 6: An integrated and inclusive rural economy	Improve the livelihoods of rural communities	The Matzikama aligns through its strategic objective No. 1, 4, 5 and 6 that seeks to: I. Develop the local economy with a major focus on emerging farmers II. Provide good quality and affordable basic services III. Promote a socially advanced community and IV. Develop capacitated and informed Communities	<ul style="list-style-type: none"> • Matzikama Emerging Farmer Program • Matzikama Recycling and Manufacturing program • Doring Atlantic Pebble project • EPWP projects • Vredendal Hydroponics • Matzikama Aquaculture Development initiative 	<ul style="list-style-type: none"> • Comprehensive Rural Development Program • Back to Basics • DMR-Social and Labour Plan • DEA-Waste Management Program • EPWP • Aquaculture development enhancement program • DEDAT-Innovation and training •
Chapter 7: South Africa in the region and the world	No direct impact on the Matzikama Municipality			
Chapter 8: Transforming human settlements	Promote a better mix of human settlements which will allow people living closer to their places of work and an	The Matzikama Municipality aligns through its human settlement plan	<ul style="list-style-type: none"> • Matzikama human settlement Plan • Matzikama gap-housing initiative 	<ul style="list-style-type: none"> • Low cost housing development program • Municipal infrastructure grant

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
	improved public transport system			
Chapter 9: Improving education, training and innovation	Early childhood development and facilitating artisans enter the job market	The Matzikama aligns through its strategic objectives No. 5 and 1 that seeks to promote socially advanced communities and promote local economic development respectively	<ul style="list-style-type: none"> • Early childhood development centre plan for Matzikama • Local Economic Development Strategy • Farm worker development plan 	<ul style="list-style-type: none"> • DEDAT- innovation and training program • DMR-Social and Labour Plans • Comprehensive Rural Development program
Chapter 10: Health care for all	Access to primary health care by improving TB prevention and cure, reducing maternal, infant and child mortality and reducing injury, accidents and violence	The Matzikama aligns through its strategic objective No. 5 that seeks to address issues of health, social welfare, and safety	While not a clear plan is in place to address this specific objective the Municipality engage on an as need basis with the Provincial Department of Health to improve this particular environment	<ul style="list-style-type: none"> • IGR forums <ul style="list-style-type: none"> – IDP Indaba – LGMTECH
Chapter 11: Social protection	All children have the proper nutrition, employment opportunities be created and everyone, especially women and children feel safe	Matzikama aligns through its strategic objectives No. 1 and 5 that seeks to promote local economic development and socially advanced Communities	The Municipality addresses this specific objective through its LED strategy	<ul style="list-style-type: none"> • DEA-Operation Phakisa • DMR-Social and Labour Plans • CASIDRA • DEDAT funding programs

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
		respectively		
Chapter 112: Building safer communities	Everyone, in particularly women and children feel safe at home, at school and at work, and they enjoy an active community life free of fear	Matzikama aligns through its strategic objective No. 5 that seeks to promote a socially advanced community	<ul style="list-style-type: none"> • Matzikama Human Settlement Plan • Community Development Forum • 	<ul style="list-style-type: none"> • Municipal Infrastructure Grant • Provincial low cost housing fund •
Chapter 13: Building a capable and developmental state	The state plays a developmental and transformative role, staff at all levels have the competence, experience and authority to perform their jobs and the relationship between the spheres of government improves and is managed more proactively	The Matzikama aligns through its strategic objectives No. 3 and 6 that seeks to promote good governance and municipal transformation and capacitated and informed communities	<ul style="list-style-type: none"> • Matzikama ward committee system • LED strategy • Public participation plans 	<ul style="list-style-type: none"> • Municipal Soft Infrastructure Grant • DEDAT-Innovation and training program • DLG ward committee support program
Chapter 14: fighting corruption	A corruption-free society and a government that is accountable to its people	Matzikama aligns through its strategic objective No. 3 which seeks to promote good governance and		

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
		municipal transformation		
Chapter 15: Nation building and social cohesion	A united, prosperous, non-racial, non-sexist and democratic South Africa.	The Matzikama aligns through its strategic objective No. 4 that seeks to promote a socially advanced community		

Successful implementation of the NDP will require strong leadership, effective government and active citizenry. The development cycle below demonstrated how these three pivotal points will accomplish the much needed change in our Municipality country.

3.6 PROVINCIAL STRATEGIC OBJECTIVES

The Western Cape Government has identified 12 Provincial Strategic Objectives to give effect to Government's development goals. These objectives find expression in departmental strategies.

The objectives include:

- Creation of opportunities for growth and jobs
- Improving education outcomes
- Increase access to safe and efficient transport
- Increase wellness
- Increase safety
- Develop integrated and sustainable human developments
- Mainstreaming sustainability and optimising resource-use efficiency
- Increase social cohesion
- Reducing poverty
- Integrating service delivery for maximum impact
- Creating opportunities for growth and development in rural areas

- Building the best run regional government in the world

Aligning the strategic priorities between the three spheres of government is the key if the expected impacts are to be made. However, to convert the theoretical exercise into tangible outcomes effective and efficient cooperative governance is required.

3.7 THE PROVINCIAL STRATEGIC PLAN (PSP)

The Cabinet of the Western Cape Government adopted as part of their PSP for the new term of office 2014-2015 five strategic goals.

4.1 INTRODUCTION

Community needs is dedicated a chapter due to its importance in the planning process. It is important to note that whilst Communities may not have all the technical know-how and the information in relation to the condition of municipal infrastructure, understanding Community needs plays a key role when Council develop strategy. This chapter provides detailed information about the socio-economic needs of the Matzikama Communities in order for other spheres of Government and the private sector to consult when devising strategies, plans and budgets.

Community needs form the backbone of the strategies of the Council of Matzikama Municipality. The Municipality has through an extensive public participation process consulted the communities in all of the eight wards. As a result of the consultation processes as well as from experiences of earlier years the Municipality was able to pick up a trend of where the needs of communities in the Matzikama are concentrated.

The table below elaborate on the needs of communities by dividing it into different groups that is related to the different government functions. Each of these groups comprises specific needs that were identified by the citizens of Matzikama Municipality. The table below provides a clear picture in terms of the five most important services for the different communities in the different wards.

PRIORITIZATION OF SERVICES REQUIRED BY THE COMMUNITIES					
WARD	1 st	2 nd	3 rd	4 th	5 th
W1	Basic Services	Youth & Sports	Health	Social Services	Economic Dev.
W2	Economic Dev.	Transport	Ecology	Basic services	Infrastructure
W3	Economic Dev.	Basic Services	Social Services	Health	Safety & Security

PRIORITIZATION OF SERVICES REQUIRED BY THE COMMUNITIES					
WARD	1 st	2 nd	3 rd	4 th	5 th
W4	Economic. Dev.	Health	Basic Services	Education	Social Services
W5	Economic Develop.	Safety & Security	Social Services	Rural. Dev	Basic Services
W6	Basic Services	Rural development	Transport	Sports & Youth	Ecology
W7	Health	Social Services	Econ. Dev.	Safety & Security	Education
W8	Economic Dev.	Transport	Youth & Sports	Basic Services	Infrastructure

4.2 PROGRESS WITH RESPECT TO COMMUNITY NEEDS

COMMUNITY NEEDS	NEEDS DELIVERED/OUTSTANDING
Economic Development	<ul style="list-style-type: none"> Enterprise development facilitated by the Municipality led to the creation of 167 permanent jobs Six BBBEE local legal entities have been empowered through interventions facilitated by the Municipality With help of the WCDM, business plans were prepared and funds to the value of R1.2 million are committed by TRONOX to build a materials recovery facility to promote the development of recycling of solid waste Support for the development of entrepreneurs is provided through a partnership between the Municipality and the West Coast Business Development Centre (WCBDC) Funds to the value of R1 million was raised from TRONOX to upgrade the capacity of the West Coast Business Development Centre to improve the capacity and quality of services The Municipality with financial support from the

	<p>Provincial Department of Agriculture and TRONOX facilitated the establishment of the first community owned Abalone farm in Doring Bay</p> <ul style="list-style-type: none"> • With financial support from TRONOX, Cawood Salts and Transhex the Municipality was able to facilitate the development and establishment of a refuse bag manufacturing facility in Vanrhynsdorp, using waste plastic as raw material • With financial support from the Provincial Department of Agriculture and TRONOX the Municipality was able to establish the first farm workers-owner hydroponics farm • The Municipality conducted a two-day workshop with all stakeholders to develop a new Local Economic Development strategy • The Municipality secured from Transhex through the Social and Labour Plan (SLP) a R900 000 to promote small business development • A further R1 million is secured from TRONOX to promote small business development • TRONOX, Cape Lime and St Gobain mining companies committed more than R 8.5 million for the establishment of exotic mushroom farms that will benefit cooperatives with membership from the local farming communities
Basic Municipal Services	<ul style="list-style-type: none"> • Communities in the north of the Municipality still do not have sufficient potable water resources – the Municipality is seeking support from the private sector and national government to assist • The quality of basic municipal services are upgraded on an ongoing basis • The construction of a reservoir, to address the water problem in Klawer especially during the winter season, is in the pipeline for the forthcoming financial year • Storm water networks are a challenge in all of the 17 towns. New installations and upgrades of existing networks continues on an annually basis as the available budget permits • With the help of the DEA the Municipality was able to provide wheeli bins free of charge to the communities of Vredendal (wards 3, 4 & 5) • The need for black refuse bags had been addressed as bags are dispensed to the public on a monthly basis • A total of 83 low cost houses were built over the last two years

	<ul style="list-style-type: none"> • A total of 448 plots for informal settlement houses were serviced • Provision of low cost houses remains a challenge as the backlog is growing faster than what the Municipality can build houses.
Education	<ul style="list-style-type: none"> • Transport for learners that live on farms remain a challenge as learners are required to walk very long distances to school – this is a major contributor to school drop-outs and poor passing rates. This challenge has been addressed in part. • The challenge of Gangsterism at Vredendal Senior Secondary School has been addressed by the Department • Libraries at farms schools remain a challenge • Xhosa speaking teachers remain a challenge to Vergenoeg primary school that has a large contingent of Xhosa speaking learners • With the support of Transhex and TRONOX in the form of a R1 million contribution, the Municipality is able to build an Early Childhood Development Centre (ECDC) in Lutzville
Health	<ul style="list-style-type: none"> • Doctors are spending 2-3 minutes per patient due to the shortage of doctors as well as time allocated per doctor by the state – No improvement, situation is deteriorating • Improvements to distribute chronic medication to state patients were made • The clinic in Vredendal-North is too small to accommodate growing population – Request outstanding for more than 7 years; situation is deteriorating • Ambulance waiting rooms for patients to travel to Cape Town were established in Vanrhynsdorp, Vredendal and Lutzville however, Klawer, Doring Bay, Ebenaeser, Papendorp, and Lutzville-West are without waiting rooms
Sports and Youth	<ul style="list-style-type: none"> • Youth and junior councils were established to assist with the development of the youth • Pavilions were built at Vanrhynsdorp and Vredendal sports fields • Upgrading of Klawer sports facilities are still outstanding • A request was made to TRANSNET to consider making available the sports facility in Klawer for the benefit of

	<p>the local community</p> <ul style="list-style-type: none"> • Sports fields conditions in the towns of ward 8 are still mediocre and requires urgent attention • The ablution facilities at Lutzville sports fields were upgraded
Transport	<ul style="list-style-type: none"> • Transport for learners that live on farms remain a challenge as learners are required to walk long distances to school – this is a major contributor to school drop-outs and poor pass rates • 1 km of tarred road in Vredendal has been upgraded • Roads of residential areas in Doring Bay, Papendorp, Ebenaeser and Lutzville-West were paved with the help of the CRDP of the Department of Rural Development
Safety and Security	<ul style="list-style-type: none"> • The request by the Vredendal-North Community to establish a satellite police station is still outstanding – crime is on the rise in that particular community • Response rates by the local police especially in Vredendal are of concern – the need to improve safety and security in that regard is still outstanding and need urgent attention • Drug abuse is a growing concern in the municipal area - the problem is escalating especially amongst the youth
Ecology	<ul style="list-style-type: none"> • A forum has been established to manage the Olifants River estuary • The Municipality do not have an Integrated Coastal Management Policy
Rural development	<ul style="list-style-type: none"> • Rural development, in the context of the Matzikama Municipality refers to the farms, remains a challenge as Municipalities are not allowed to do any development on private land. However, by establishing good relationships with farm owners the Municipality is able to do limited development to the benefit of the farm worker.
Social Services	<ul style="list-style-type: none"> • A process with the department of Rural Development to establish food gardens for poor families is in the pipeline • Drug and alcohol abuse remain a challenge
Infrastructure	<ul style="list-style-type: none"> • The community hall in Lutzville has been completed and has been handed over by the Department Mineral resources and the contributing mining companies • Two new water purification plants were built to accommodate new developments in Vredendal and

	<p>Vanrhynsdorp</p> <ul style="list-style-type: none"> • The following residential roads were paved through the CRDP: <ul style="list-style-type: none"> – The residential roads in Doring Bay – The residential roads in Lutzville-West – The main road in Papendorp – Residential roads in Ebenaeser • Residential roads in Vredendal-North are paved • Sewage dams capacity in Doring Bay and Ebenaeser were upgraded • Electricity upgrades remain a need for the Municipality to accommodate new developments • TRONOX and Transhex contributed a total of R1.6 million for the construction of a community hall in Papendorp • TRONOX contribute R200 000 for repairs at the community hall in Lutzville-West
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4.3 RESPONSE TO MOST RECENT COMMUNITY NEEDS

The Council and senior management conducted a workshop following public meetings in all eight wards of the Municipality. The purpose of the meeting was to take apposite actions, which would lead to addressing the needs of the communities. Following careful deliberations the workshop responded to each of the comments by either linking it to the budget for the MTREF period or directed the need to one of the two spheres of government.

Ward	Capital projects identified and prioritised by the Communities	Prioritised
1	Pave street in low cost housing area (Lutzville)	5
	Repair storm water pipe in Hibiscus Street (Lutzville)	1
	Build a play park in Mbeki Square (Lutzville)	4
	Install floodlights at sport grounds - Lutzville	2
	Waiting room for patients travelling to Cape Town - Lutzville	3
	Install no-dumping signs in areas where not allowed	3
	Provide a water point to emerging farmers (Lutzville-West)	5
	Sports facility in Lutzville-West	1
	Pave sidewalk in Suikerhoek Street Lutzville	5
	Build and operate an ECD centre in Mbeki Square Lutzville	1
2	Mini Thusong Centre (Papendorp)	1
	Library services (Papendorp)	1

Ward	Capital projects identified and prioritised by the Communities	Prioritised
	Road signs and speed bumps (Papendorp)	2
	Road repairs Papendorp	2
	Repair septic tank Papendorp	1
	Ablution facilities and dressing rooms (Doringbaai sport grounds)	5
	Install Floodlights at sport grounds (Doringbaai)	5
	Mobile Pavillions (Doringbaai)	5
	Install no-dumping signs in areas where not allowed (Doringbaai)	4
	Install street lights at low cost housing area (Doringbaai)	3
	Water purification plant (Doringbaai)	1
	Pave Snoek Straat (Doringbaai)	2
	Wheelie-bins (Doringbaai)	4
	Play park Ebenaeser	1
3	Garden waste bins	2
	Street lights - Mangahung	5
	Taxirank in Mangahung	1
	Play park in Mangahung	5
4	Speed bumps in Bauermeister and Gegund streets	5
	Pave Bauermeister Street	5
	ECD centre - farm workers community	1
	Beautify Bultweg – irrigation system	2
	Install no-dumping signs in areas where not allowed	2
5	Install traffic lights at the corner of Grens and Church streets	2
	Install traffic circle or traffic lights at Woeligehoek	2
	Build a shelter at bus stop near Naveau College for farm workers learners travelling to school in Vredendal	2
	Maintain roads	1
	Increase water pressure	1
6	Bulk services and toilets in Riemvasmaak	1
	Upgrade cemetery	1
	Build toilets at the cemetery	1
	Make available a learners license facility	4
	Upgrade sport grounds	4
	Build a wheel chair ramp at the Community hall	1
7	Housing project at landing strip	1
	Speed bump in Angelier Street	1
	Flood lights, small farmers development site	2
	Gap housing	2
	Maternity hospital and swimming pool	2
	Street lights, tar road at Goodhope	3
	Picnic area – old park	3
	Fence at cemetery	4

Ward	Capital projects identified and prioritised by the Communities	Prioritised
	Upgrading of Community Hall & moving library to Thusong Centre	4
	Paving streets in Hopland	4
	Driver's license test facility	5
	Borehole pump - Matzicare	5
8	Upgrade sport ground (Bitterfontein)	3
	Provide infrastructure to irrigate sport grounds with sewage (Bitterfontein)	3
	Provide toilet facilities at cemetery (Bitterfontein)	5
	Upgrade play park (Bitterfontein)	5
	Increase capacity of septic tank truck (Kliprand)	4
	Speed bumps in low cost housing area (Koekenaap)	5
	Street lights at informal settlement area (Koekenaap)	5
	Grass pitch soccer field (Koekenaap)	3
	Goal posts (Koekenaap) soccer field	3
	Pay point at sport grounds (Koekenaap)	3
	After care centre (Koekenaap)	5
	Upgrade dressing rooms at sport grounds (Koekenaap)	3
	Floodlights (Koekenaap)	3
	Municipal Pay point (Koekenaap)	4
	Emergency exits at Community Hall (Molsvlei)	5
	Stage curtains - Community hall (Molsvlei)	5
	Computer centre (Molsvlei)	1
	Green water tanks for food gardens (Molsvlei)	1
	Provide basic services to all residents (Molsvlei)	4
	Provide ablution facilities at sport grounds (Molsvlei)	3
	Build a speed bump in street in front of school(Molsvlei)	2
	Goal posts – soccer field Molsvlei	3
	Upgrade sewage ponds (Nuwerus)	4
	Emergency exits – Community hall (Putsekloof)	5
	Plant trees (Putsekloof)	1
	Computer centre (Stofkraal)	3

The sector plans form an integral part of the planning process of the IDP of the Matzikama Municipality. However, it should be noted that the IDP is not a sum of the sector plans mainly due to its nature which is strategic as oppose to the operational nature of the sector plans. Apart from the spatial development framework that forms the basis of the planning process there are two more sector plans including the local economic development strategy and the poverty reduction strategy that are transversal in nature as it cuts across the development spectrum. These will have an elaborative section in the Matzikama IDP whilst other plans will be influenced by the IDP and form an integral part of the operational plans of departments.

Due to the strategic nature of the IDP and the vast amount of sector and department plans; makes it almost impractical to elaborate and or incorporate all the plans. For this reason Departments must compare its plans strategically against Council's strategy and consider it integrated if aligned with the IDP.

5.1 Spatial Development Framework

5.1.1 Introduction

The SDF is an important policy instrument as it forms the base document to guide land use and development of the Municipality toward a sustainable opportunity-rich-future. Strategies, projects and development plans in the Integrated Development Plan of the Matzikama Municipality (IDP) are initially informed by the SDF before any other sector plans are considered in development processes. However, recent developments are indicative of the shortcomings in the SDF for the municipal area and include the following:

- Provide no guidance to mining activities, renewable energies (includes wind and solar farms) and green economics;
- The previous district managed area has been included within Ward 8 since 2011 but is excluded from the SDF;
- Lack guidance on architectural guidelines and development of specific focus areas and further small scale structure plans;
- No guidance on time frames in terms of the long term spatial vision;

- The non-alignment between the SDF and other sector plans such as the LED strategy is a concern;
- The exclusion of major proposed economic development initiatives such as aquaculture.

The SDF is aligned with the principles of the IDP and growth points that are identified within the municipal area to enable sustainable spatial land use planning.

Matzikama municipal area experienced significant growth over the last 15 to 20 years in terms of its population and land area. In more recent years and months the municipal area experienced unprecedented change; its land area almost doubled between the years 2000 to 2011; the land area expanded from about 7000 km² to about 13000 km² following the last local government elections and the population increased over the last 15 to 20 years from 40000 to 70000. Despite being a sparsely populated area (approximately, 0.22km² per person) the unprecedented change in the land area attributed to pressures on engineering services (such as water resources, waste management sites, roads and environmental management) and other negative impacts on society as a whole and the natural environment. These affects are evident in the ever increasing numbers of unemployment, poverty and housing backlog.

As a result of the above the need to revise the SDF arose to address some of the shortcomings so as to ensure that the SDF is fully credible and reflect the future development needs, opportunities, natural environment and impacts within the Matzikama municipal area.

The SDF has been drafted and approved as a tool to develop policy in support of a sustainable and equitable future for the people of Matzikama.

The plan is intended to do the following:

- Align the Municipality's developmental objectives with those of National (National Development Plan) and Provincial Government (Provincial Spatial Development Framework);
- To plan and make provision for the spatial needs of the community of Matzikama as identified in the IDP;
- Promote the general welfare of the community;
- Promote economic and social development;
- Promote sustainable land use management;
- Develop an appropriate land use scheme for future development to amongst others redress historical development practices;
- Help spatially guide, coordinate, prioritise and align public investment infrastructure in the IDP.

5.1.2 Legal reference of the SDF

The SDF forms a critical part of the IDP in terms of Section 26(e) of the Local Government: Municipal Systems Act, 2000 (No 32 of 2000). Unfortunately, the SDF was not approved as a structure plan in terms of Sections 4(1) and (6) of the Land Use Planning Ordinance, 1985 (No 15 of 1985). The SDF read together with the National Spatial Development Plan and the Provincial Spatial Development Framework should inform future spatial planning applicable to the municipal area.

5.1.3 Approved and proposed economic development projects

These projects are aligned with the first strategic goal of the Council of Matzikama Municipality and lay the foundation for the initiative Council is taking towards unemployment and poverty.

Apart from the approved and proposed mining developments where Matzikama Municipality provided support with the development processes the rest of the developments shown on the map are the Municipality's own initiatives. These initiatives resulted from a conscious decision by Council to play a more active role in the economic development processes of the

Municipality. It is required that the MSDF incorporate these developments to form part of the Matzikama spatial planning.

The table below provide an elaborated view of the various proposed and existing developments

NO	PROJECT NAME	CONCISE DESCRIPTION	STATUS	CHALLENGES
1	RARECO Mine	Steenkampskraal where the mine is located is a monazite mine. There are sufficient reserves for 10 years. The mine has not been in production for forty years and will require a newly appointed workforce. There is capacity for 147 employees. Minerals are mined and process on site. Further processing will take place at a Mineral separation plant (MSP) to be located in the industrial area of Vredendal-North	Permission has been granted by the Department Minerals Resources to continue with mining operations. Mining operations are planned to commence January 2014. The EIA approval is awaited before construction of the MSP can begin	Getting the EIA approved in time, late approval will have negative effects on the MSP project. Maintenance of the gravel road from the mine to the N7
2	PPC Mine	The project entails the extraction of lime from a mining site outside Vanrhynsdorp. Employment for the mine will be sourced from Vanrhynsdorp. Processing of raw materials will take place at the PPC cement factories in Cape Town	The mining right has been granted by the DMR	
3	TORMIN Minerals	The project entails the extraction of sand that contains heavy minerals from the ocean. Further processing takes place on land after which it is transport by road to Cape Town/Saldanha Bay harbour	Permission has been granted by the DMR to continue with mining operations	Increase in the number of heavy vehicles on the road between the mine and the N7
4	Packing & Cooling and drying facility	The project entails developing a feasibility study and project profile	The municipality developed a funding proposal to raise the funds required for the feasibility study and project profiles	
5	Essential Oils	The project entails cultivating rose geranium on commonage land for the extraction of essential oils from the crop	The Municipality is facilitating a process to produce a business plan to raise the required funds	Apart from the funding water to irrigate may be a challenge
6	Land-based Abalone	Expansion of the existing Abalone farm to a 60 ton farm	A fully functional 30 Abalone farm has been	Funding to scale the project up to a

NO	PROJECT NAME	CONCISE DESCRIPTION	STATUS	CHALLENGES
	Farm		established and performs well. A hatchery, large enough to produce spat for a 300 ton farm has been commissioned and the first spat is ready for introduction into the grow-out system of the farm	60 ton farm including establishing a solar power supply system
7	Abalone Ranching	The project entails the implanting of juvenile abalone in the ocean to scale down on overheads costs	A hatchery to supply the development with spat has been commissioned in Doring Bay	Getting permission from the DAFF
8	Medicinal Plants	The project entails a research study by the Universities of Stellenbosch and Western Cape that looks into the medicinal qualities of indigenous herbal plants with the view to develop tablets	The study is still in progress. Regular feedback is given by the Universities.	
9	Plastic recycling to manufacture refuse bags	The project entails collection of waste plastics from different sources including dumping sites, households and local businesses. Same materials are used to manufacture plastic pellets for the manufacturing of black refuse bags and other plastic products	Tronox funded the project through the social and labour plan and permission was granted by the Department of Mineral Resources (DMR). Co-funding was provide by Casidra	
10	Aquaculture sector development	The project entails investigating the potential for the development of Abalone farms on the Matzikama coastline	It was established that land-based Abalone farming as well as Abalone ranching has great potential. DoPW in principle agreed to make land available on the condition that the EIA for the development is approved. The final scoping of the EIA has been submitted for approval. The Municipality approached DLG and PT to assist with developing an investment	Funds are required to develop an investment appraisal and install the basic infrastructure including main intake and effluent pipelines, pump stations and access to electricity.

NO	PROJECT NAME	CONCISE DESCRIPTION	STATUS	CHALLENGES
			appraisal to secure private sector funding	
11	Exotic mushrooms	The project entails growing exotic mushrooms for the South African market in containers. The project has the potential to create jobs for 10 cooperatives each with 5 to 10 members.	Business plans are completed, project is ready for implementation. Funding to the value of R9 million is secured from three mining companies including TRONOX, Cape Lime and St Gobain	Municipality is awaiting final approval from the DMR as the project is part of the social and labour plans of the three mining companies
12	Doring Bay Fishermen project	The project entails upgrading the existing fish factory including the live-crayfish holding facility as well as the construction of a boat storage and repair shed. The project will run over 18 months and employ between 50-70 unemployed people of Doring Bay and Papendorp	R10 million has been approved by the DAFF.	Waiting on DAFF to transfer funding
13	Day Hospital	Medical MacIntosh has expressed an interest in building and operating a day hospital with a casualty section in Vredendal.	The project is in its infancy stage	No challenges identified yet
14	Papendorp Community Hall	The project entails building a small community hall with a crèche and municipal service point	Funding to the value of R1.6 million has been secured from TRONOX and Transhex. Building plans are currently being drawn by ASLA Devco. Land has been identified and construction is likely to commence before the end of 30 June 2016	
15	Lutzville Early Childhood Development Centre (ECDC)	The project entails building an ECDC large enough to accommodate 150 pre-school children from the local community of Uitkyk Lutzville	Funding to the value of R1 million has been secured from Transhex and TRONOX. Building plans are currently being drawn by ASLA Devco. Land has been identified and construction is likely to commence before the end of 30 June 2016.	
16	Materials Recovery	Construction of materials recovery facility in Vredendal-North adjacent to	Funding to the value of R1.2 million has been secured	

NO	PROJECT NAME	CONCISE DESCRIPTION	STATUS	CHALLENGES
	facility	the dumping site to promote recycling of solid waste	from TRONOX . Municipality made land available and construction will commence prior to the end of June 2016. Municipality is currently in the process of entering into an agreement with a private company to operate the facility.	
17	WCBDC Business Hub	Establish a business hub in Vredendal to support the development of small businesses	Funding to the value of R1 million has been secured from TRONOX to upgrade and existing building to meet the requirements of the business hub. The West Coast Business Development Centre (WCBDC), which will be operating the facility, is in the process of securing property in town.	
18	Small Business Support	Establishment of a fund, to be managed by the Matzikama Development Trust, for the purpose of making interest free loans available to existing and prospective small BEE businesses	Funding to the value of R1.9 million has been secured from TRONOX and Transhex to establish the fund. The Matzikama Development Trust has been established with membership and management from the local mining companies	
19	Upgrading Lutzville West Community Hall	Repairs to the Community Hall in Lutzville-West	Funding has been secured to the value of R200 000 from TRONOX to upgrade the facility. A contractor will soon be appointed to commence with the work	
20	Agri Hub	The DRDLR approved Matzikama Municipality for the development of an Agri Hub to support the development of black farmers. The project entails a 7 ha erf in the industrial area on the urban edge with easy access from the R362 and the R27 as indicated on the map in Figure 10 below. Bulk infrastructure (water and electricity) available. Close to municipal land	Land has been identified and the Project has been approved by the DRDLR.	Distribution of funds by the Department. The access road from the R362 needs upgrading.

NO	PROJECT NAME	CONCISE DESCRIPTION	STATUS	CHALLENGES
		available for farming and leasure activities. This Agri-Hub will support the feeder Farmer Production Support Units from Bitterfontein (98 km), Ebonaesser (32 km), Clanwilliam (86 km), Citrusdal (145 km) and Piketberg (189 km). It is also well positioned to support cross border FPSU's or emerging farmers from Nieuwoudtville (83 km) and Calvinia (167 km).		
21	Farmer Production Support Units (FPSU)	FPSU is a rural outreach unit connected with the Agri-hub. The FPSU does primary collection, some storage, some processing for the local market, and extension services including mechanisation	A business plan has been submitted and the project has been approved by the DRDLR.	Distribution of funds by the Department.

5.2 Disaster management plan

Matzikama Municipality adopted the Disaster Management Plan in June 2007. This plan confirms the arrangements for managing disaster risk and for preparing for- and responding to disasters within the Matzikama Municipality as required by the Disaster Management Act. No further processes were done in able to review the Plan because of a lack of funds. As soon as the municipality can find the necessary funds the municipality will start the review process.

5.2.1 Legal Framework

The Matzikama Municipality is legally obliged to prepare a disaster management plan for its area according to the circumstances prevailing in the area; to co-ordinate and align the implementation of its plan with those of other organs of state and institutional role players; and to regularly review and update its plan. The municipality must also consult the local community on the preparation or amendment of its plan.

The Legislation that regulates Disaster Management in South Africa:

- Section 53(1)(a) of the Disaster Management Act, 2002 (Act 57 of 2002)
- Section 53(2)(a) of the Disaster Management Act, 2002 (Act 57 of 2002)
- Section 26(g) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

5.2.2 The Key Outcomes of the Disaster Management Plan is as follows:

- Integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality.
- Resilient communities
- An integrated, fast and efficient response to emergencies and disasters by all role players.

5.2.3 Linkage with the Integrated Development Plan of the Matzikama Local Municipality

Both the Municipal Systems Act and the Disaster Management Act requires the inclusion of this plan into the Integrated Development Plan (IDP) of the Matzikama Municipality. Disaster Management should also be integrated into the IDP Risk Management.

5.2.4 Linkage with the Disaster Management Framework of the West Coast District Municipality

The Matzikama Local Municipality must prepare and execute its disaster management plan within the disaster management framework of the West Coast District Municipality.

5.2.5 Structure of the plan

The Municipal Disaster management Plan of the Matzikama Local Municipality consists of the components as indicated in the figure below.

5.2.6 Corporate Disaster Risk Management Structure for the Matzikama Municipality

The Corporate Disaster Risk Management structure for the Matzikama municipality must deal with both pro-active and reactive disaster management issues and encompasses more than the department which is responsible for the function. The figure below illustrates the components of the Corporate Disaster Risk Management Structure.

5.2.7 Risk assessment

The following disaster risks were identified in Matzikama Municipality during a risk assessment process conducted in 2006:

Priority risks
Fire
Drought
Severe Weather (Storms, Wind, Rain)
Hazardous Materials Incidents (especially road accidents)
Communicable diseases/Health

5.2.8 Risk Reduction Plans

Risk reduction plans providing for prevention and mitigation strategies have been compiled through a participative process and have not been vetted or submitted to feasibility studies.

Possible risk reduction projects have been identified through analysis of information collected during consultation with the West Coast District Municipality, Bergrivier Local Municipality, Matzikama Local Municipality, Saldanha Bay Municipality, Swartland Municipality and the West Coast District Management Area.

The following disaster risks for Matzikama Municipal area were identified:

- Drought Disaster Risk Reduction
- Health Disaster Risk Reduction
- Severe weather Disaster Risk Reduction
- Hazardous Materials Disaster Risk Reduction
- Fire Disaster Risk Reduction

5.2.9 Disaster Preparedness Plan

The purpose of this plan is to ensure a high level of disaster preparedness within the West Coast District Municipality and more specifically within the Matzikama Local Municipality.

This plan will focus on the activities falling within the sphere of responsibility of the Municipality in preparing for and responding to a disaster within the area of responsibility of the Municipality.

5.3 Matzikama Human Settlement Strategy

The Human Settlements Plan (HSP) responds to the needs and projected demands within the municipality and is directed at addressing housing demand over the whole spectrum of income groups as this is regarded as key to supporting sustainable human settlement development within the municipality over time.

In keeping with the Comprehensive Plan for Sustainable Human Settlement (September 2014), the Matzikama Municipality HSP focuses in improving the quality of housing and housing environments by integrating communities and settlements. Accordingly, the focus is on the development of integrated human settlements in well-located areas that provide convenient access to urban amenities, including places of employment. At the same time it is recognised that the Matzikama Municipality is characterised by a large rural population whose needs also need to be accommodated in the strategy. A key concern in the municipality, which is emphasised in the LED and IDP, is the high level of dependency within the municipality, and the resultant impact this has on the municipality's ability to provide for basic services of the poorest of the poor. The Matzikama HSP therefore looks at the complete range of available housing instruments to address the current and projected future housing need within the municipality.

The HSP is directed at integration and consolidation of the urban fabric, and the identification of well-located areas that support the sustainable development of communities. However, it recognises that where the need is high and a large number of households need to be provided for. Therefore "Greenfield" development adjacent to the urban edge may be the most appropriate solution. The approach in such cases places an emphasis on ensuring that social and community facilities are also provided for and where appropriate, commercial opportunities should be incorporated into the detailed development of new suburbs.

5.3.1 Provincial Planning Committee Resolutions

Municipal Area	Project No. & Name	Programme	No. of Opportunities	Earliest implementation year	Recommendation
Vredendal	3212: Vredendal-North phase	IRDP	1304	2014/15	Phase 4 to role in phases of 200 S/S per year from 2014/2015,

	4 (1304 services & 1296 units) IRDP				followed by 80 T/S from 2015/2016. The need to develop past the overhead power line must be investigated. Advised that if possible that development stops at overhead over line buffer. If additional land for future development is needed. It is also advised to look at possible sites to developed on the updated SDF, of which are located more to the south of Vredendal-North.
Vredendal	3218: Vredendal Da Gama GAP (77 services) IRDP & (77 units) FLISP	IRDP	77	2016/2017	Further investigation necessary. Possibility of private financial institution/private developer to be investigated. The actual need for GAP housing needs to be determined within Matzikama
Klawer	3298: Klawer (80 units) PHP	IRDP	180	2014/2015	This phase (Phase 2) can be recommended on condition that future development is prevented due to limited economic base. PPC in support of planning recommendation.

Note that there are no projects that are not supported by the Provincial Planning Committee.

5.3.2 Final Findings

Ward 1: Lutzville and Lutzville-Wes

Lutzville, the main town in Ward 1 is the centre of social and economic services and infrastructure in the ward. Lutzville-Wes is a small predominantly housing cluster located some kilometres out of the town. The rural population in Ward 1 demonstrates a negative population growth rate over the period, which is an indication of urbanisation or outmigration within the ward.

The housing waiting list indicates that 543 individuals wish to be accommodated in Lutzville. A housing project is already in the pipeline, which will accommodate 155 people in Lutzville with the purpose of formalising Mbeki Square in Lutzville. Additional land will need to be earmarked for the next phase of housing delivery in Lutzville.

Ward 2: Doringbaai, Ebenhaezer, Olifantsdrif, Papendorp, Strandfontein and a Portion of Vredendal South

The Draft SDF 2013 identifies sufficient vacant land in the towns of Doringbaai, Strandfontein and Ebenhaezer to accommodate the existing and projected future housing demand. It must be noted that Ebenhaezer falls within an Act 9 Area. The future development of the settlement is therefore subject to specific legislative requirements and falls outside the jurisdiction of the Matzikama Municipality. The municipality can therefore not implement housing delivery within Ebenhaezer. A process has commenced in terms of Act 9 provisions, but the outcome will determine the future of the settlement. Strandfontein is a predominantly holiday. Papendorp is a traditional fishing village on the Olifants River estuary. The town has a significant number of vacant erven.

Census 2011 indicates that Ebenhaezer and Strandfontein have demonstrably high population growth rates. While population growth rate in Doringbaai and Papendorp are low. The rural hinterland demonstrates a negative growth rate.

The housing waiting list that of the 495 people on the waiting list in this ward, 363 (73%) want to be housed in Doringbaai whereby 74 beneficiaries occupied houses in Doringbaai end of December 2013. 131 (27%) want to live in Ebenhaezer, half of which are rural. A housing project in Doringbaai was completed in 2013 whereby 76 houses were built. There is one person on the waiting list for Papendorp. Strandfontein does not have a waiting list. It is evident from the current income profile that most of the demand in this ward exists for RDP/BNG housing and only a very small portion of land will be required to accommodate GAP, FLISP and private development housing.

Ward 3, 4 and 5: Vredendal

The SDF (2013) identifies sufficient land to accommodate existing and projected housing demand. Land is identified in both Vredendal North and Vredendal South. The land ownership issues in Vredendal South will need to be overcome to implement housing delivery in Vredendal South. The outcomes of the Eureka land claim are still uncertain, but may present an opportunity for housing delivery in the future. Land identified for future development to west of Vredendal North however, is steep and the topography complex, and will be expensive to develop.

Vredendal North demonstrates a higher population growth rate than Vredendal South. There is also a negative rural population growth rate which is indicative of urbanisation taking place in these wards. The town of Vredendal also demonstrates the highest incidence of backyard dwellings.

There are currently 4359 people on the waiting list who want to live in Vredendal. The vast majority of land (85%) for new housing will be required for RDP/BNG. The housing project currently on the Matzikama Municipal pipeline in Vredendal North is being implemented and can accommodate 1500 households. NEMA approvals are however outstanding for portions of the site.

Ward 6: Klawer

The Draft SDF 2013 identifies sufficient land to accommodate existing and projected housing demand. The town demonstrates a relatively high population growth rate and a negative population growth rate is evident in the rural area within the ward.

There are currently 898 people on the housing waiting list in Klawer, of which 80 will be accommodated in a project that forms part of the current housing pipeline. Future phases of the project are still subject to environmental and planning approval. A large proportion of the waiting list originates in the rural population. There are also a significant number of individuals on the list that have been on the list for between 6 and 10 years.

Ward 7: Vanrhynsdorp

The Draft SDF 2013 identifies sufficient land to accommodate the existing and medium term housing demand. Future revisions of the SDF may need to identify more land and the Matzikama Municipality should monitor whether or not this is required in future revisions of the SDF.

Vanrhynsdorp has the second largest waiting list in the Matzikama Municipality with 1212 (79%) residing in town and 242 (21%) originating from the rural hinterland. 44% have been on the list for between 6 and 10 years. More than 10% may be resident in backyard dwellers. 706 (58%) of the beneficiaries are under the age of 45.

Population growth rate within the town is lower than for Vredendal, Klawer or Lutzville. There is also marginal growth in the rural population. Projected housing demand will therefore be less.

Although a housing project has been completed in the town in the recent past, there is currently no active project identified or on the project pipeline.

The Department of Correctional Services have indicated to the Municipality that they would like to assist their employees to access housing nearby their facility in Vanrhynsdorp.

Ward 8: Koekenaap, Bitterfontein, Nuwerus, Kliprand, Stofkraal, Molsvlei, Put-Se-Kloof and Rietpoort

The projections calculated for Ward 8 using the municipal growth rate of 8.2% show an unrealistically high demand for housing and associated requirements for land provision. Therefore another projection has been calculated for this ward using the Municipal average growth rate of 2.17% and it is believed that this more accurately reflects the future housing demand in this part of the municipality.

There is sufficient land earmarked in Koekenaap, however, Mandela Park is located outside the proposed urban edge, access to adequate services is an imported consideration in launching a UISP project in Koekenaap.

The Draft SDF 2013 identifies sufficient land to accommodate the existing and future projected demand. It must be noted that Rietpoort, Put-Se-Kloof, Molsvlei and Stofkraal are Act 9 areas, and subject planning process in terms of that legislation. These processes have not commenced yet and until such time as the process is complete, the settlements fall outside of the jurisdiction of the municipality. Currently therefore no housing delivery projects can be initiated by the municipality in these settlements.

An analysis of the population growth rate per town shows that Rietpoort is the fastest growing settlement in this ward (growth rate of 3.57%), while Kliprand's population was found to actually be diminishing (growth rate of – 2%). The housing waiting list of 2013 shows that 46 people wish to be housed in Rietpoort, 6 people want to be housed in Koekenaap, 45 people

want to live in Bitterfontein, 34 people see their future in Nuwerus and 31 people want to be accommodated in Kliprand. There are currently no housing projects in the housing delivery pipeline. There are also a significant number of households that are accommodated in backyard dwellings.

A very high growth rate is evident in the rural population.

5.3.3 Housing pipeline

The Municipal Council approved a new Housing Pipeline in October 2013. The table below indicates the implementation of the approved Housing Pipeline over the remainder of this IDP Cycle.

TABLE : HUMAN SETTLEMENTS PIPELINE FOR 5 YEAR PERIOD 2012/2013 TO 2016/17

Project Name	Housing Program	Current Waiting List	Total Sites	Total Units	1		2		3		4		5	
Projects Per Settlement					2012/13		2013/14		2014/15		2015/16		2016/17	
VREDENDAL		4359	4250	1580	Sites	Units	Sites	Units	Sites	Units	Sites	Units	Sites	Units
	IRDP						200		200		200	80	200	80
	GAP													
VANRHYNSDORP		1212	1280	530	280									
	IRDP												200	
	GAP													
KLAWER		898	900	380										
	IRDP							80					100	100
	GAP													
LUTZVILLE		543	555	255										
	IRDP												100	
	GAP													
BITTERFONTEIN		45		45						45				
	IRDP													
	GAP													
DORINGBAAI		363	300	174										
	IRDP													
	GAP					74								
KOEKENAAP		6	110	75										
	IRDP													

	GAP													
NUWERUS		34	50	34									44	44
	IRDP													
	GAP													
KLIPRAND		31	20	31										
	IRDP												9	9
	GAP													

5.3.4 Low cost housing

The Matzikama Municipal area has a total housing backlog of approximately 8972 houses, including the housing needs in the previously district managed area. The needs analysis of this area is currently in process and will form part of the total housing need once completed and verified. The biggest housing backlog is in Vredendal, and more specifically in ward three. Approximately 57% of the total backlog is in Vredendal (see pie chart below). Klawer and Vanrhynsdorp have the second largest need for subsidized houses. The planned RDP housing projects according to the human settlement development plan of the Matzikama make provision for the total backlog of houses as well as for some villages in ward 8. The total cost excluding ward 8 of eradicating the current backlog is approximately R 986,920,000. However, due to the lack of sufficient funds from the Housing Department of the provincial government to construct the houses the municipality is currently implementing the housing policy of the provincial government. The policy basically entails that funds forthcoming from the provincial housing department be utilized to provide serviced plots with basic municipal services for backyard dwellers and the homeless on the housing list to construct their own shacks until such time when houses can be delivered by the provincial government. To date no clear indication by the housing department of the provincial government has been given as to when funding will become available to put up the top structures.

Town	Backlog	Existing Cost	Low Houses	UISP
Bitterfontein	75	0		0
Doring Bay	276	74		0
Ebenhaeser	207	271		0

Town	Backlog	Existing Cost Houses	Low UISP
Klawer	778	213	435
Kliprand	33	53	0
Koekenaap	204	208	0
Lutzville/Lutz.-West	1410	368	0
Molsvlei	54	0	0
Nuwerus	78	50	0
Papendorp	1	80	0
Putsekloof	20	16	0
Rietpoort	47	34	0
Stofkraal	47	0	0
Vanrhynsdorp	1012	591	0
Vredendal	4221	1139	433

The table above provides a list of a backlog of houses in each of the towns/villages.

The table also indicates that a needs analysis was done in all the towns in the 8 wards of the Matzikama Municipality. As a result the current human settlement plan was reviewed and reflects the most recent housing demand in the Matzikama municipal area. The housing demand along with other developments will also be taken up in the Build Environment Support Program (BESP) currently rolled out by the provincial Department Environmental Affairs and Development Planning (DEA&DP).

The pie chart below provides a clear picture of the housing backlog that exists in the Matzikama Municipality. Please note that the pie chart include all the towns in the 8 wards of the Matzikama Municipality

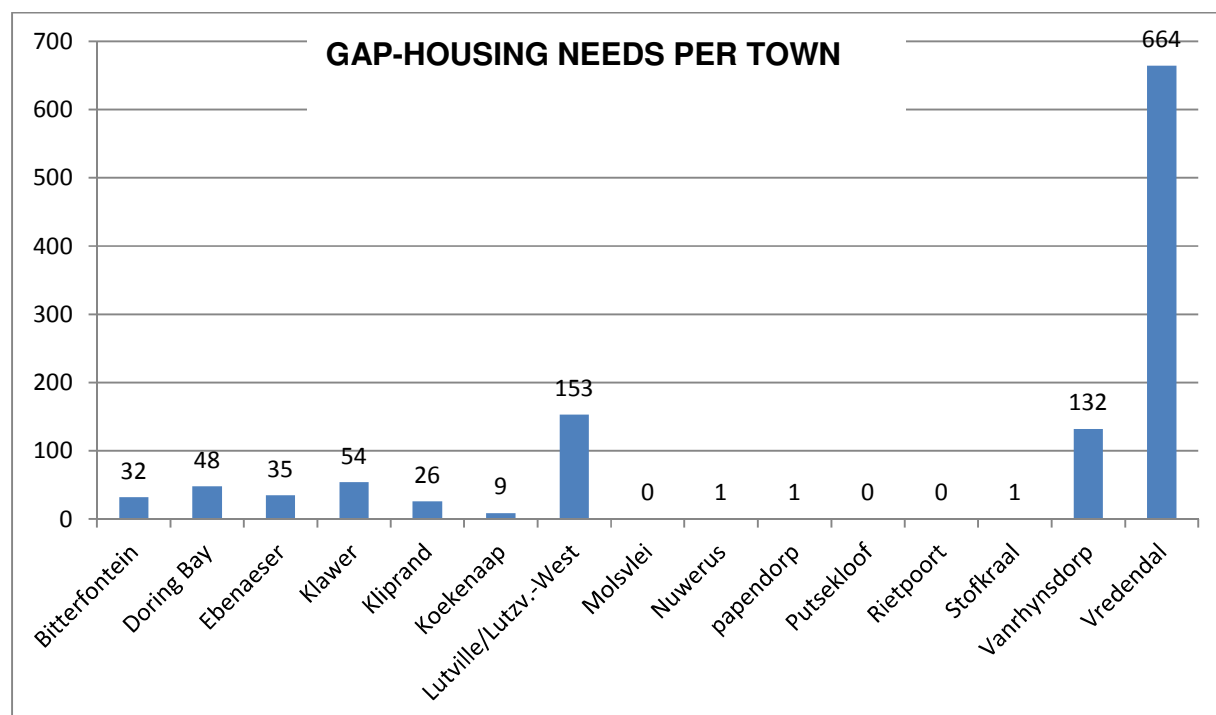
The Human Settlements Plan of the Matzikama Municipality was reviewed and approved by Council in October 2013. The IDP and in particular this section should be read in conjunction with the Matzikama Human Settlements Plan.

5.3.5 GAP Housing

Gap-housing is the term used to identify a specific income group in the population. With an income that sits between R3501 – R15000 these residents struggles to enter the housing market due to income being too high to qualify for government subsidized houses and too low to qualify for home loans from the private banks in South Africa. As a result gap-housing has been identified as a solution to fill that gap in the market. In support of the gap-housing project

the Matzikama Municipality has done a need analysis commenced the process of starting to identify the need that exists for this type of houses.

Below is a bar graph that provides a clear picture as to how the need is spread between the different towns and or villages in the Matzikama municipal area.



The above bar graph is very clear as to where the largest need for gap-housing sits namely Vredendal with Lutzville and Vanrhynsdorp the second and third largest need for this type of housing.

Whist the housing section is very clear and specific around the housing needs and the constraints to provide for the needs the strategy to address the constraints and challenges does not form part of the IDP as yet. This is mainly so due to the current human settlement plan (HSP) being reviewed and approved in October 2013. The revised HSP should be read in conjunction with this section of the IDP.

The human settlement section of the IDP reveals the core information around the housing needs for RDP-houses and gap-houses as well as some of the constraints faced by the Municipality to deliver on the housing needs. The section is merely an abstract of the housing plan and should not be seen by the readers as the complete housing strategy. The housing strategy is one of the sector plans of the IDP and should be read in conjunction with the IDP.

5.4 Integrated Infrastructure Asset Management Plan

The municipality does not have such a plan because of a lack of funds, but will develop an Integrated Infrastructure Asset Management Plan as soon as budget will be coming available.

5.5 Municipal Infrastructure Plan

The municipality does not have a proper Municipal Infrastructure Plan, but do have a Matzikama Municipality: Major Infrastructure requirements including town by town assessment Plan which was compiled with the assistants of the Western Cape Government.

5.6 Electricity Master Plan

No proper Electricity Master Plan is in place. The municipality will develop such a plan as soon as budget will be coming available.

5.7 Water Services Development Plan

The final Model 2 of 2012/2013 is the status quo document which was approved in August 2012. The Water Services Development Plan (WSDP) is in the process of being reviewed and will be completed by June 2015

This WSDP is for the 2012/2013 financial year and is an update of MM's 2008/2009 WSDP. The WSDP is aligned and integrated with the 2011/2012 IDP of MM and needs to form an integrated part of the IDP public participation and consultation process.

Part of the WSDP is to identify strategies (Module 3) that need to be developed to address the information shortfalls and other constraints, which impact on service delivery. The WSDP should be revised regularly, reporting the information for the previous five years and the projected future requirements.

Critical developments and associated factors that has an impact on our area:

- Urban versus Rural Backlogs
- Reliance on Water Resources Available and Bulk Infrastructure

- Links between Water Supply and Sanitation
- Limited Implementation and Operating Capacity in some Municipalities
- Available funding
- Affordability of Service Levels (Operation and Maintenance Costs)
- Growing Backlog in Refurbishment of Existing Infrastructure
- Major Economic Development
- Associated Population Growth and Water Demand

5.8 Integrated Waste Management Plan

The Integrated Waste Management Plan (IWMP) of the Matzikama Municipality has been formulated to address the challenge of waste management in the Matzikama area, home to 70000 people. The Plan was born out of the requirements of the National Waste Management Strategy and formed the first action plan in terms of this strategy. The first IWMP was drafted in March 2006 and the current plan was drafted in July 2010. The municipality do not have the funds to establish such a facility hence the need for other funding sources for the development of an integrated waste management plan.

5.9 Air Quality Management Plan

5.9.1 Air Quality Management

Matzikama Municipality adopted the Air Quality Management Plan in 2012 which was developed by the West Coast District Municipality. The National Environmental Management Air Quality Act 39 of 2004 requires municipalities to introduce Air Quality Management Plans that set out what will be done to achieve the prescribed air quality standards.

5.9.2 Strategic Goals and Objectives

- Implementing the Air Quality Management Plan within the Municipality
- Assigning clear responsibilities and functions for air quality management at both district and local levels

- Air quality training of current and future air quality personnel at both district and local levels
- Obtaining the necessary resources and funding for air quality management
- Preliminary monitoring of identified 'hotspot' areas in the municipality to determine air pollutant concentrations
- Undertaking continuous ambient air quality monitoring to obtain a long term record of air quality in the municipality
- Maintaining good air quality within the boundaries of the Local Municipality
- Compliance monitoring and enforcement of air quality legislation, policies and regulations in the Local Municipality
- Assessing the contribution of agriculture to ambient air quality and establishing measures to control emissions from these sources.

5.9.3 Threats and challenges

The Municipality do not experience any challenges with respect to air quality currently.

5.10 Pavement Management Plan, Storm Water Master Plan and Roads Master Plan

The Pavement Management Plan is due for updating in the 2016/2017 financial year. The municipality does not have a Storm Water Master Plan as well as a Roads Master Plan in place.

5.11 Municipal Infrastructure Operations and Maintenance Plans

The Municipality do not have Municipal Infrastructure and Maintenance Plans.

6.1 Overview of the Economy

The economy of the Matzikama Municipality does not function in isolation of other economies hence the need to look at LED from a global, national, provincial, regional and local perspective. The next section provides an overview of the global, national, provincial and local economy as articulated by the Provincial Economic Review and Outlook, Budget Overview of Provincial Revenue and Expenditure report and the Situational Analysis of the Matzikama Municipality.

6.1.2 Global Economic Overview

Six years into the world economic recovery from the Great Recession and economic growth does not appear to be on a solid footing (Figure 1). Regional growth remains uneven and the overall growth momentum is not great – it was measured at 1.5 per cent and 2.2 per cent during the first and second quarters of 2015 respectively. The recent Greek fiscal crisis and the Chinese stock market plunge and currency devaluation have also intensified risk perceptions.

Global growth: the implications of 'secular stagnation'. According to the IMF, world real GDP growth has tapered down to 3.4 per cent per annum over the period 2012 to 2014, which compares to growth of 5.1 per cent per annum during the 2003-07 period, i.e. the five years before the Great Recession (Figure 2). In the advanced economies of the world, the slowdown was from 2.8 to 1.5 per cent per annum respectively over the corresponding periods and in the emerging and developing economies from 7.7 to 4.9 per cent per annum (see Figure 2).

While the recessions in the USA and Euro area already commenced at the end of 2007, the bankruptcy of the USA investment bank, Lehman Brothers, during 2008 caused the recessions to deepen and spread wider in the world economy – in 2009 half the economies of the world were in recession and those in recession accounted for three quarters of world GDP (ICMB, 2014: 1). The USA recession ended during the third quarter of 2009, while the Euro area experienced a double-dip recession in 2011 only emerging from it mid-2013. The emerging economies performed better during the crisis period; however, as Figure 3 shows, the growth of the leading Chinese economy has also tapered off. Emerging economies' real GDP growth is expected to bottom at 4.2 per cent in 2015 according to the IMF (see Table 1).

6.1.3 National Economic Overview

The SA economy is closely linked with the global economy, both via the trade and financial channels. The economy experienced a sharp recessionary decline in 2009 in response to the global recession sparked by the financial crisis at the time. The impact on the economy was greater in the labour market, where 1.1 million formal and informal jobs disappeared (between December 2008 and September 2010) compared to the negative impact on GDP, i.e. a peak-to-trough decline of 2.5 per cent in real GDP. Anti-cyclical fiscal policy assisted to ameliorate the adverse impact on real economic growth.

Subsequently economic growth has been poor. Apart from accelerating to a trend pace during calendars 2010-11, from 2012-14 real GDP growth has averaged 2 per cent per annum. It took the labour market until end 2013 to fully recover from the 2009 recession. The poor post-global financial crisis growth of the SA economy is not unique on the global scene. In fact, as discussed above, '*secular stagnation*' amongst the developed nations of the world (related to reasons of demography, productivity growth and indebtedness) may indeed be the new norm. This is a

challenge to SA industry, which has to adjust to this reality. It would be fair to conclude that part of this global reality explains the poor growth performance of the SA economy. However, that is not the full story.

Figure 5 shows weaker trending business confidence levels in SA in recent years compared to that in the rest of the world economy. Such gaps have opened up twice before since the onset of the 1990s. The first occurred during the early 1990s with heavy domestic socio-political turmoil, the longest post-war economic recession in SA, exacerbated by a serious drought in agriculture. The second occurred during the aftermath of the East-Asian financial and economic crisis (when domestic prime overdraft interest rates increased to above 25 per cent).

While the uncertain world economic climate in the wake of the Great Recession has been transmitted to the SA economy, domestic factors also explain the weaker trending business confidence levels. Considering Figure 6 (chart bottom right) a most unusual trend in business confidence is displayed; it basically moved sideways over the past five years compared to previous business cycles' positive trending business confidence levels. Poor business confidence largely explains the weaker fixed investment performance compared to previous business cycles. Sluggish fixed investment spending – and not household consumption or exports – has been at the bottom of the poor overall economic growth performance; see charts on the left and top right, Figure 6.

Poor business sentiment and sluggish fixed investment spending and associated employment creation goes hand-in-hand. A number of factors may have impacted adversely on business confidence, e.g. the decline in commodity prices, with its effects being transmitted throughout the economy, the adversarial labour relations environment and outright labour market instability and violence (reflected in a sharp increase in man-days lost due to strike action in recent years), economic policy uncertainty, infrastructure constraints of which the electricity blackouts are foremost in their damaging impact, etc.

6.1.4 Provincial (Western Cape) Economic Overview

The Western Cape economy accounts for a large share of national GDP (close to 14 per cent in 2013) and the regional economy has close linkages with those in the rest of the country. Figure 8 (chart top left) shows how closely business confidence levels in the region tracks that of the national economy. It follows that the regional business cycle corresponds closely with that of

the national economy, albeit evident that business confidence has been trending at higher levels over the past 16 months (from the end of 2013)⁴. Estimates of the Western Cape's GDP show that the regional economy did expand slightly faster than national during 2014, i.e. a real growth rate of 1.7 per cent compared to 1.5 per cent. Business tendency survey indicators do suggest some sectoral outperformance may be present in the Western Cape region – see Figure 8.

While the 1.7 per cent real GDP growth rate for the Western Cape in 2014 may be an under estimation, it is likely that the adverse global and national factors discussed above are also impacting the Western Cape. A closer inspection of recent developments in the regional economy may reveal more of what may be behind the more elevated business sentiment levels.

6.1.5 The West Coast District (WCD) Economy Overview

The WCD economy is the third largest non-metro district within the broader Western Cape Province economy. From a gross value added (GVA) perspective, the district accounts for roughly 4.4 per cent of total provincial GDP, making it a relatively minor contributor. In 2013, the district employed a total of 104 860 people, which was equivalent to 5.6 per cent of total provincial employment. Compared to the Western Cape Province at large, the WCD economy has a relatively more even mix of economic activities among its primary, secondary and tertiary sectors. While secondary sector contributions for both the district and the province weigh roughly the same, the province is comparatively more tertiary sector-heavy with a smaller primary sector relative to the WCD district. Figure 1.1 gives a graphical comparison of the sectoral distributions within the WCD economy and the Western Cape Province.

The resultant differences in sectoral structure within the district are, of course, a direct result of the structures inherent in the local municipalities. Again using average figures from the year 2000 to 2013, Saldanha Bay is the strongest local municipality within the wider district and accounts for 30 per cent of total WCD GDP. Interestingly, its broad sectoral weighting resembles that of the Western Cape Province more than it does that of the district (see Figure 1.2). The District boasts a relatively more vibrant tertiary sector which accounts for 70 per cent of municipal GDP and is dominated by activities from business services as well as wholesale

and retail trade. In comparison to Saldanha Bay, the sectoral composition of the other local municipalities are predominantly primary sector driven, with agriculture, forestry and fishing being the main driver of economic activity within the WCD region. Figure 1.2 depicts the spread of sectors among the municipalities. Within the District's agricultural activities, animal products have proved to be responsible for about 45 per cent of the sector's income.

Notwithstanding the more noticeable presence of primary sector activity within the other municipalities, tertiary sector presence also remains relative important as well, given its average weight of 50 per cent and above across the board. On average, economic activities within the District's tertiary sector is dominated by business services and wholesale and retail trade. Matzikama and Swartland local municipalities, however, exhibit some different tendencies. While tertiary sector activities within Matzikama are more evenly spread across industries, Swartland seems to be the financial hub for the district, reflecting a relatively robust finance and insurance industry. Although not the strongest sector among the abovementioned, the WCD's secondary sector has a manufacturing industry with great potential for growth,

which lies mainly in agro-processing. More potential in manufacturing can also be found in non-metallic mineral products and the metal industry. In order for this potential to be unlocked, the district will have to invest in the development of its primary sector. The success of the Saldanha Bay-Northern Cape development corridor will, therefore, be a great support for manufacturing.

From 2005 to 2013, the WCD economy's GDPR trend average growth rate has been 3.0 per cent per annum. Table 1.1 below, shows that while district growth managed to keep its head above water during the 2008-09 recession – easing to a 1.4 per cent annual growth – it still has not managed to revert back to its trend growth rate during the recovery period of 2010-2013. Thus far, GDPR has only grown by an average annual rate of 2.8 per cent since 2010 to 2013. Although economic recovery in the District is in line with provincial recovery, the WCD economy's trend growth rate and rate of expansion leave much to be desired.

From a municipal contribution point of view, Saldanha Bay and Swartland local municipalities not only make up just over 60 per cent of the district's GDPR, but also maintained growth rates above the district's since the year 2000. Table 1.1 shows that during the economic expansion and recession phases, growth in Saldanha Bay and Swartland exceeded district growth. Interestingly, the district shed jobs during the expansion phase (see Table 1.2), and only Saldanha Bay and the West Coast DMA local municipality realised some gains. Saldanha Bay

continued to add a significant number of jobs during the recovery period. Swartland, however, seems to have been recorded relatively significant net job losses, which is worrying given that it is the second largest contributor to district GDP and employment. Even more concerning, these job losses have been occurring against the backdrop of above average growth in this municipality.

6.1.6 Matzikama Economic Overview

Matzikama hosts the third largest municipal economy in the WCD, accounting for around 15 per cent of GDP and employment in 2013. The municipal economy is relatively small and contributed only R2.9 billion to the R19 billion value added generated in the WCD. The region is northernmost in the WCD and is known for its vast tracks of land, some cultivated and the remainder attractive to incoming tourists. The agricultural base of the municipal economy is evident from the fact that it is the largest employer in the region, accounting for 31 per cent total employment in 2013. In terms of value added, the agricultural sector of Matzikama hosts more than a fifth of that in the WCD, making it the second largest agricultural region after Swartland. The other main employer is commercial services (30 per cent), which accounts for the largest share of GDP, i.e. 42 per cent. Manufacturing accounts for 16 per cent of GDP and the government, community, social & personal services sector for 14 per cent.

From a growth perspective, the municipal economy performed poorly over the 2000-13 period. Real GDP growth averaged only 1.0 per cent per annum between 2005 and 2013. While the growth momentum improved during the 2007-08, the region suffered a heavy recession impact in 2009, with real GDP contracting by no less than 4 per cent. The subsequent recovery was also relatively subdued. Employment creation was largely absent from 2003, albeit that overall employment remained stable after 2009 during the economic recovery. While the commercial services sector is also the largest from a value-added perspective, growth has not been as strong in this sector compared to the other municipalities, coming in at 2.6 per cent per annum; the sector also shed jobs on a net basis, 2005-13. The other relatively larger sector in the municipal economy, i.e. the government, community, social & personal services sector, grew by 2.3 per cent and was the only sector creating employment on a net basis. The fastest growing sector has been construction (7.5 per cent per annum); however, this growth is from a

relatively low base. More worrying is the slight annual contraction in the agricultural sector and heavy worker retrenchments – it accounts for almost all the worker lay-offs in the region over the 2005-13 period. This impacted the manufacturing sector, which also contracted marginally over the corresponding period. However, manufacturing employment was relatively stable over this period.

In terms of skills development in the region, all three categories of employment witnessed net layoffs in the Matzikama Municipality, albeit that the demand for highly skilled labour was relatively stable. The pattern of lay-offs corresponds to that in the Swartland, showing heavy net job losses in the semi-and unskilled segment of the labour market; however, the skilled

segment also shed jobs at a high rate (1.7 per cent per annum). Despite the heavy job losses in the semi- and unskilled segment, this category of labour accounted for 44 per cent of the workforce in the region in 2013. The informal sector is also sizable (23 per cent) after presumably absorbing some of the workers losing employment in the formal sectors (Figure 2.12).

In all, the Matzikama municipal economy is relatively small in terms of its contribution to WCD value added and employment. Low growth and negligible employment creation also characterize the economic landscape; in fact, heavy retrenchments occurred in the agricultural sector, explaining the negative trend in semi- and unskilled employment. Some construction activity, a relatively stable manufacturing sector and moderate growth in commercial services and the public sector countered the adverse tendencies in the municipal economy.

6.2 Legal Reference

The Constitution of South Africa in section 152(d) obliges Municipalities to promote economic development. The White Paper on Local Government of 1998 calls for a Local Government that is committed to work with people and groups within the community to fund sustainable ways to meet their social, economic and material needs and to improve the quality of their lives. The same White Paper articulates that local government is not responsible for job creation. This is unfortunately a loophole in the legislation, used legally correct by municipalities to justify why

they are not responsible for creating jobs. This rather shaky position in terms of the role of Local Government in local economic development and job creation is exacerbated by the fact that the Constitution does not recognize local economic development as a dedicated competence of Local Government or any sphere of government.

Regardless of what legislation articulates in terms of who is responsible for job creation. Here's the interesting thing observed from an extensive public participation process that is not unique to the Matzikama. It suggests that, regardless of one's opinion of the government, there is a clear expectation that the government is responsible for job creation. Government holds the key to prosperity and growth and the failure to create jobs is a significant result of failed state policies. The corollary is that failed government policies are, also, responsible for job losses. While the private sector is in need of employees to deliver services and produce goods that ultimately create jobs Government need to make it possible and attractive for the private sector to generate employment. Government including Municipalities need to develop and adopt the right combination of policies for the private sector to participate. Manifested by the above is that no single stakeholder or role-player is responsible for job creation. It is the responsibility of a combination of role players and or stakeholders to create jobs. These role-players comprise all three spheres of government, the private sector, non-governmental organizations and very important a cohesive community. A lack of cooperation from any of these role-players is likely to result in failing to create jobs.

For these reasons and more the Council of the Matzikama Municipality decided to take an active and direct role in economic development.

6.3 Proposed Interventions to take Economic Development Forward

To take economic development forward Council need to remove the blockages. A full assessment was conducted to assess the maturity of the Municipality with respect to Local Economic Development. The purpose of the assessment is primarily to determine the blockages that prevent economic development from progressing to a level of maturity. The graph below provides a clear picture of where the blockages are. The red line in the spider web graph represents the most recent assessment of Matzikama Municipality.

Despite much improvement, Matzikama Municipality, now ranked amongst the top Municipalities in the Western Cape, has its work cut out if it wants to improve the current situation. The graph provides a clear picture as to which areas needs improvement. The Municipality will make the following interventions as shown in the table below which if successfully rolled out will propel local economic development to a higher level of maturity.

No	Intervention	Objective	Delivery Date	Responsible	Budget	Indicator
1	Establish an entrepreneurial development forum	To grow the local economy	2017	Matzikama	External sources	Adopted ToR
2	Establish a local small business procurement forum	To optimize local performance	2017			
3	Compiling an infrastructure plan	To create an environment that will stimulate LED in the municipal area	2017	Municipality	External sources	Strategy completed and adopted by Council
4	Revising the economic development strategy preceded by an	To create pragmatic opportunities that will stimulate the local economy, make	2017	Municipality	External sources	Completed strategy adopted by Council ensued

	economic profile of the municipal area	significant impact on job creation and BBBEE				by progress reports on implementation
5	Compiling feasibility studies, value propositions and business cases	To attract investment to the municipal area in support of business and industrial development	2013-17	Municipality in partnership with other spheres of government and development agencies	External sources	Final documents adopted by Council
6	Compiling a revenue enhancement strategy	To increase internally generated funds	2017	Municipality	Municipality	Adopted strategy and progress reports on implementation
7	Identifying key projects with project implementation plans to promote tourism development	To create opportunities for BBBEE	2013/2017	Municipality and local tourism organization	Municipality and local tourism organization	Adopted project plans and progress reports on implementation of projects
8	Establishing and maintaining a Local Intergovernmental Dialogue (LID)	To create a platform for effective intergovernmental relations to promote responsible and sustainable development	2017	Municipality	Municipality supported by other spheres of government	Adopted terms of reference of newly established organization as well as minutes of meetings and progress reports
9	Developing a strategy for a green economy	To gain a better understanding of the challenges the area is facing and to produce plans and projects that effectively address the challenges whilst creating opportunities for employment and poverty reduction	2014/17	Municipality	External sources	Adopted strategy and progress reports on implementation of strategy
10	Compiling a project investment appraisal for the development of the Aquaculture sector	To attract private investment for the development of land-based Abalone farms	2016/17	Municipality	Funding to be provided by DLG & PT	Investor summit

The success of the interventions shown in the table above is dependent on the support from Provincial and National Government as well as the private sector. To keep the momentum of this initiative the Municipality will ensure that this item remain a standing one on the agenda of the Local Intergovernmental Dialogue (LID) identified as one of the main strategies of the Council to improve service delivery in general.

6.4 High Impact Projects

The Municipality recognized the need for interventions that will earnestly impact on the challenges faced by stakeholders in the area of poverty and unemployment. As a result the following projects will receive the necessary attention to develop to a level where it will create of jobs, reduce poverty, provide opportunities for BBBEE, diversify the economy and promote social capital. To help the process of identifying high impact socio-economic development projects the Municipality with the help of the Centre for Local Economic Development (CENLED) used the Participatory Appraisal for Competitive Advantage (PACA) economic development instrument to select the following projects for development.

PROJECTS	SOCIO-ECONOMIC IMPACT
<p><i>Develop the Aquaculture Sector:</i></p> <ul style="list-style-type: none"> Develop the first phase of the Matzikama Aquaculture Development Initiative (MADI) comprising 5 land-based Abalone farms with a total production capacity of 1035 ton 	<p>This economic development initiative has the potential to create over the next three to 6 years more than 4000 jobs, contribute significantly to infrastructure and small business development all of which will ultimately result in reducing poverty and diversify the local economy that is overexposed to grape farming and wine production.</p>
<p><i>Agriculture and Agro-processing</i></p> <ul style="list-style-type: none"> Support and facilitate the development of a centralized cooling, packing and drying facility Support and facilitate a water rehabilitation project for re-use in agriculture Secure investment by the state, to upgrade water conveyance system to utilize benefits of raising of the Clanwilliam dam wall Produce gherkins from waste cucumbers 	<p>This economic development initiative has the potential to create in excess of 3500 jobs, create opportunities for black emerging farmers and small business development and contribute significantly towards infrastructure development all of which will ultimately reduce poverty and diversify the local economy</p>

PROJECTS	SOCIO-ECONOMIC IMPACT
<ul style="list-style-type: none"> ▪ Support the development of an essentials oil production farm and extraction plant ▪ Support the development of greenhouse production facilities ▪ Facilitate the development of exotic mushroom farms for the benefit of emerging farmers ▪ Support emerging farmers to graduate from subsistence farming to micro-scale commercial farmers 	
Tourism <ul style="list-style-type: none"> ▪ Develop tourism activities for all seasons of the year ▪ Rehabilitate the standard of the Hardeveld Coastline ▪ Repair Doring Bay slipway ▪ Upgrade old gaol and museum in Vanrhynsdorp 	This economic development initiative has the potential to introduce a racial mix of ownership to the industry, develop infrastructure and create jobs all of which will ultimately result in reducing poverty.
Recycling <ul style="list-style-type: none"> ▪ Support and facilitate the establishment of a business that manufacture plastic projects from waste plastics ▪ Support recyclable waste collection at local household, schools, hospital, business and other levels for ▪ Construct and privately operate a materials recovery facility in Vredendal North 	This initiative has the potential to create 87 jobs immediately and a further 60 jobs in the second phase. The project will also develop new infrastructure, help with the development of a greener environment all of which will ultimately reduce poverty

As can be seen from the above table; the Matzikama Municipality with the help of other spheres of government and the private sector can create more than 4000 jobs over the next 3 to 6 years and contribute significantly to reducing poverty and ultimately to the vision of the National Development Plan (NDP). However, it needs to be stressed that all of this is only possible with the help of the other two spheres of government and the private sector.

6.5 Aquaculture Development in the Matzikama Municipality

The Matzikama Municipality has been working with the Western Cape Aquaculture Development Initiative (WCADI) to assess and develop the aquaculture potential of the Matzikama Municipality. After carrying out a number of detailed surveys of the Matzikama Coastline WCADI have established that Matzikama has very significant potential and a clear and unrivalled comparative advantage for Marine Aquaculture, in particular, Abalone farming because of:

- A very favourable natural environment (coastline),
- An enabling local government environment for development,
- Excellent profile for renewable energy especially solar and wind.

Municipality established that:

- The Aquaculture Sector, including the entire value chain should be developed in Matzikama;
- Matzikama has the potential to create thousands of jobs through the development of Abalone farming and the aquaculture value chain;
- Aquaculture has the potential to become a bigger contributor to economic development than other forms of agriculture;
- Matzikama has the potential to become the leading Aquaculture node in South Africa;
- Aquaculture is critical for the economic and socio-economic development of Matzikama.

As indicated above, WCADI reported its findings to the Participatory Appraisal of Competitive Advantage (PACA) workshop (11 to 15 March 2013) that was attended by all stakeholders. At this workshop all stakeholders agreed that The Municipality should prioritise the following areas as important focus areas for the Municipality in terms of the facilitating local economic Development:

- Developing the primary and secondary Aquaculture sector
- Agro processing
- Tourism and
- Recycling

6.5.1 The development of Aquaculture in Matzikama and its potential impact on the socio economic development of the West Coast

The status of many coastal communities in South Africa can at best be described as fragile. Coastal communities in the country were, historically, kept in chronic poverty and their aspirations suppressed. Despite the introduction of a constitutional democracy in SA in 1994 and its promise of change, fundamental socio-economic rights, and societal transformation, few of our coastal communities have found sustainable routes out of poverty and declining quality of life.

The state of coastal resources is a significant factor affecting livelihood prospects for poor coastal communities in the Western Cape Province and elsewhere in SA. More than 29 000 people are already involved in subsistence fisheries but there are no under-utilized or 'new' resources suitable for expanding subsistence and small-scale fishing opportunities. Against this backdrop, aquaculture has emerged at the intersection of a number of discussions regarding poverty alleviation; skills development; employment creation; black economic empowerment; household food security and improved nutrition.

Aquaculture has continually outstripped growth projections, and there is little reason to believe that it will continue to do so. It is inherently more efficient than livestock production. The production chain is shorter and more efficient than for capture fisheries. Moreover, massive productivity gains and the increasing control over aquaculture production systems is in stark contrast to the faltering management of capture fisheries, for which rising fuel prices are having a disproportionately higher impact on costs. Prices of cultured fish are falling and are extending the consumer base. The scarcity of wild fish creates further market space, while supermarket chains demand stable supplies: uniform-size fish with clear traceability that cannot be readily supplied by volatile capture fisheries. The major challenges facing aquaculture development in SA (and particularly in fishing communities) is the availability and access to appropriate aquaculture sites, infrastructure, technology, skills, development and investment funding. It is important to note that aquaculture will not be able to solve the problems of coastal and other communities. Aquaculture can make a very important

contribution to job creation and socio-economic development in coastal and other communities.

6.5.2 Aquaculture Development already under way in Matzikama

The Doring Bay Abalone Farm Pty Ltd, the first community abalone farm in the Western Cape and South Africa, has been established in the buildings of the former Oceana Crayfish Factory, which is being leased by the Doring Bay Development Trust (DDT) from the National Department of Public Works Phase 1, of the Doring Bay Abalone Farm Pty Ltd, will consist of a production capacity of approximately 20 tonnes. The successful implementation of the first phase of the farm is well under way and animals are already grown out in tanks on the farm. The farm is mainly owned by the community through the DDT with a 55% BEE shareholding structure. Phase 1 of the farm already employs 21 people. The farm was initiated by the Matikama Municipality and the DDT. WCADI facilitated an amount of R4.8 million grant funding from the Western Cape Department of Agriculture's (DoA) Comprehensive Agriculture Support Programme (CASP) through its role as the Secretariat of the Aquaculture Commodity Project Allocation Committee (ACPAC). The approval of the CASP grant funding led to a R4 million grant funding contribution from TNS to commence with the establishment of the first phase of the farm. An additional R2.4 million, also from TNS, followed in the next two years. The farm will be expanded to a 300 ton production facility. With the help of Provincial Department of Agriculture a hatchery that cost in excess of R2 million was build.

WCADI is also working on an initial R400 million investment in a second Abalone farm in Doring Bay. This project will consist 400 tons of production capacity in phase 1 of its development. The production capacity of the farm will be increased up to 1000 tonnes over time. Approximately one (1) direct job and conservatively one (1) indirect job will be created for every tonne of production. The investor plans to establish a tank manufacturing facility which will be owned by the community. Once both farms reach full production and the development of the Value Chain is complete conservatively 2 600 jobs will have been created in and around Doring Bay. This scale of development will have a major impact on the economic development Matzikama as a whole. It demonstrates that Matzikama's biggest advantage in local economic development is Aquaculture and in particular the Abalone Subsector. The development already underway in

the Southern part of the Matzikama Municipality is poised to completely eradicate poverty in Doring Bay:

- Over 1000 direct jobs will be created in Abalone farming over the next five years.
- Over 1000 indirect jobs will be created in the Aquaculture Value Chain over the same period.
- The development of Abalone farming operations and the development Aquaculture Value Chain will stimulate economic activity which will lead to further job creation in the value chains of other industries e.g the real estate, manufacturing, retail, hospitality and tourism industries.
- Doring Bay has a population of 1760 and a workforce of 617 of which 85% (585) is unemployed.

As can be seen above, more jobs will be created than the available workforce. The balance of the required workforce will initially be procured from Papendorp, Ebenaeser and Lutzville West and thereafter from other parts of the Matzikama. It is clear that the scale of development will have a major impact on the economic development of Matzikama as a whole.

6.5.3 What is required to realise Matzikama's Aquaculture potential

The realisation of Matzikama's Aquaculture potential requires all three spheres of government, public entities and social partners to collaboratively task force the development of the Aquaculture sector in the municipality.

- Land that belongs to the Department of Public Works needs to be transferred to the Matzikama Municipality for the development of Aquaculture farms
- Funding is urgently required for a project team to initiate, plan and implement the development of the Aquaculture Sector and the Aquaculture Value Chain in Matzikama, see above.

6.5.3.1 Progress in respect of the Aquaculture project

The Municipality is moving ahead but at a snail pace as support from other spheres of government is coming in drips and drags. However, with the help of the department of COGTA the National Department of Public Works provided the Municipality with a letter conveying that the Department agrees in principle to make the land for the Aquaculture development available.

6.5.4 Next steps to realise Matzikama's Aquaculture potential

The following activities should run concurrently:

- Conduct EIA's on all the sites that are designated for development and simultaneously complete process with the National Department of Public Works to transfer land to the Municipality;
- Raise development funding to fund the establishment of the Matzikama Project Team;
- Continue engagements with all relevant government departments and other stakeholders.

6.5.5 The emerging farmer development program

Along with the Matzikama Emerging Farmers Association the Municipality developed a strategy that will see emerging farmers graduate from subsistence farmers to small-scale commercial farmers. With the technical support of the West Coast District Municipality the Matzikama Municipality development four business plans to facilitate the implementation of the strategy. These projects include the following:

- Fifteen hectare units divided into three 5 hectare production units for the production of nectarines, raisins and cash crops. The Municipality is currently working with the Provincial Department of Agriculture to develop an implementation plan. The plan entails establishing more than one 15 hectare unit. Production units will be owned by individual farmers but work in partnership with similar production units to create economies of scale

- Livestock farming. It has been established that enough livestock are available amongst emerging farmers to organize subsistence livestock farmers into a single marketing channel. The Municipality is working with the Provincial Department of Agriculture to develop and implementation plan
- The production of fodder on Municipal land for livestock farming. For this purpose the Municipality developed a feasibility study and business plan to determine whether it is technically and financially feasible to produce Russian Grass in order to supplement grazing for the livestock of Emerging Farmers.
- Exotic Mushroom production in a controlled environment. The Municipality is in the process of raising funds on the back of a business plan that was produced by South African Gourmet Mushrooms. Exotic Mushrooms are produced in modified shipping containers by community-owned cooperatives. The project is a partnership between community-owned cooperatives and South African Gourmet Mushrooms. The local mining companies through their social and labour plans are considering funding the project. However, final approval by the Department of Mineral Resources is awaited.

7.1 Introduction

The IDP is the over-arching strategy document of the Municipality. As with any strategic plan this plan is based on an analysis of relevant information of both external and internal variables, events and trends. This section will provide a strategic analysis of the external and internal issues which impacts on the Matzikama Municipality. This chapter focus on the following:

- Overview of area
- Socio-economic context of the Municipality
- Situational analysis
- High level strategic informants
- Municipal Services

The logical structure followed by this strategic plan to achieve its goals contains three vital elements including a diagnosis, a guiding policy and coherent action.

7.2 Overview Matzikama Towns and Villages

Although some of the towns and villages in the Matzikama municipal area lack a vibrant economic base, they deserve government protection and to be retained and conserved by all relevant role players. The overview of the towns is largely based on the town profiles presented in the *Growth Potential of Western Cape Towns* document which gives us a good indication of the socio-economic investment potential of the towns. This document, in

conjunction with other sources, was used as tool or guiding instrument by the Matzikama Municipality for gauging future development initiatives in the various towns.

Doring Bay at a glance

According to the Investment Categories table of the *Growth Potential of Western Cape Towns*, Doring Bay is categorised as a high-needs and low-development town that suggests social investment rather than town investment. The suggestion implies the allocation of capital to advance people's social and economic wellbeing.

Doring Bay once harboured a flourishing west coast rock lobster industry but currently endures high levels of extreme poverty due to the dwindling fishing industry. For all these years, the economy of the town solely depended on the fishing industry; hence the complete collapse causing unemployment rates to reach levels as high as 85%.

Doring Bay is located on the coast line 80km west of Vanrhynsdorp and 15km north of Lambert's Bay making it ideal for tourism and aquaculture development. Both aquaculture and tourism to a lesser extent demonstrated potential for exploitation and can play an important role in mitigating unemployment and poverty caused by the dwindling fishing industry. Subsequent studies in relation to developing marine aquaculture are indicative of potential success in terms of attracting investors and creating employment.

Doring Bay currently functions as a residential settlement. The ineffective and, to some degree, non-existent commuting system makes it difficult for residents to commute to a place of work outside Doring Bay. Given the situation in Doring Bay, the only other option would then be to earnestly explore the economic development opportunities presented by aquaculture and tourism to a lesser extent. In order to make this development (that aligns our development initiatives with those of the Provincial Government in terms of the recommended social investment for Doring Bay) a reality, a combined effort from Government and the private sector is required.

Population	Male	female	Employment figure	Unemployment figure	Language commonly used	Distance from Vredendal (km)
1260	621	639	367	223	Afrikaans (1196)	52

Strandfontein at a glance

According to the *Growth Potential of Western Cape Towns*, Strandfontein is ranked low in human needs and high in development potential. This implies that Strandfontein is recommended for infrastructure development and some form of social development so as to ensure alignment with the NSDP guidelines “that all citizens are entitled to a basic service”.

The *Growth Potential of Western Cape Towns* bases the economy of Strandfontein on recreation and retirement and second houses. It explains why Strandfontein has been a holiday resort and retirement village since inception. Despite the low population (less than 1% of the total population of Matzikama), the town seems to grow in terms of new upmarket dwellings. The growth of Strandfontein can be attributed to the relatively low-cost coastal front land and the rate at which this high-income bracket holiday town attracts retired people, holiday makers and tourists.

The town recorded a relatively high ranking in terms of its resource and development potential. Out of the 131 towns situated in the Western Cape Province, Strandfontein was ranked 28th in terms of composite development potential and second in terms of composite resource potential.

The town is located on the coast line 5km north of Doring Bay and 75km east of Vanrhynsdorp. The town draws many tourists and holiday makers annually and has become more sought after than ever before, making it an attractive property development proposition. The high coastal property values further south makes Strandfontein an ideal place to explore coastal-front property development.

Strandfontein started out as a holiday resort with no economic activities to speak of. Until today, Strandfontein doesn't have any economic activities to speak of apart from one general store which supplies the bare essentials to the permanent residents. The town has no harbour facility and very little water recreation facilities due to the high energy and relatively dangerous coastline.

Population	Male	female	Employment figure	Unemployment figure	Language commonly used	Distance from Vredendal (km)
431	221	209	47	20	Afrikaans (129)	44

Ebenhaeser/Papendorp at a glance

These two villages function as a residential settlement with very few economic activities apart from government services, farm work, subsistence farming and fishing. The villages are located on the banks of the Olifants River and should play an important role in protecting the sensitive eco-system of the Olifants River.

These two villages developed from a mission station founded by the Rynse Church in 1831. The villages have virtually no intrinsic economic base and very little growth potential on own merit. Limited agriculture on smallholdings and fishery form the economic base of the town. Unemployment threatens the town, as well as the possible water shortage experienced in the wider region. The population and economic base have not grown over the past few years. The inhabitants, however, do not cooperate well, and they will have to define a communal goal to which individual interests will be subordinate.

These villages have practically no inborn economic base on own merit as confirmed by the rankings of the *Growth Potential of Western Cape Towns*. Ebenhaeser is ranked as a low human needs and low development potential town. As with Doring Bay, this implies that Ebenhaeser is recommended for social investment.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
1305	634	672	287	190	Afrikaans (1272)	36

Lutzville West at a glance

Lutzville Wes is located 18km west of Vredendal and 2km south of Lutzville on the Olifants River wine route. Lutzville Wes functions as a residential settlement and houses mainly seasonal and, to a lesser extent, permanent farm workers employed by the surrounding grape farms. Its central location to Vredendal, Lutzville and surrounding farms contributes to its functional role as a low-order rural settlement.

The unemployment rate, as with Doring Bay, is high with most of the residents unemployed. Lutzville Wes not ranked by the Province in terms of its “growth potential for towns” is strongly recommended for social investment based on the prevailing high human needs and the non-existent economic development potential.

Lutzville at a glance

Lutzville developed from a farm established in 1923 and is located 48km west of Vanrhynsdorp on the West Coast tourism route. The town is ranked by the *Growth Potential of Western Cape Towns* as 58th in terms of its development potential and 49th in terms of its economic activities. The main function of Lutzville is that of an agriculture service centre and recently became home to many employees of Exxaro Namakwa Sands. Apart from the many farming activities in the area, tourism has the potential to add significantly to the economic base of the local economy. The town is located on the West Coast tourism route which is linked to the wine industry, annual agriculture expo and annual wild flower season.

The town accommodates a large number of the workers employed by Exxaro Namakwa Sands as well as farm workers, hence the low unemployment rate.

The economic potential of the town is influenced by the nearby Namakwa Sands mine as well as the many irrigation farms established in the area.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
5232	2637	2595	1654	383	Afrikaans (4680)	25

Koekenaap at a glance

Koekenaap originally developed from the farm Roodeheuwel and was given a boost in 1923 when irrigation was made available to the farmers in the area. Today the Koekenaap village is surrounded by a kaleidoscope of irrigation farms located along the Olifants River ranging from vines to beans to mangos. Koekenaap is located 56km west of Vanrhynsdorp on the West Coast tourism route.

The town has experienced no economic growth over the past few years. It functions as a modest agricultural service centre for the surrounding farms. Unemployment and poverty are rife. The mining industry employ the majority of the people. As it is 10km from Lutzville and 20km from Vredendal, people basically sleep in Koekenaap and work somewhere else. There is no economic base to support the town, and no growth is expected.

The sharp increase in the population of Koekenaap is primarily due to people relocating from the Eastern Cape and Northern Cape in search of a livelihood. Apart from the surrounding successful private farms, very few economic stimulating activities exist in the Koekenaap village. Regarding development potential, the settlement also registers at an alarming 'low' quantitative level (ranked 101) and a 'very low' qualitative level. The fact is that the town does not demonstrate any development potential to uplift the low quality of life and high human needs in the community.

A human needs level for the Koekenaap village ranked at 131 implies extreme poverty and an earnest need for social investment. The future of the town is uncertain, and the inhabitants will need help from external sources.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
1551	759	791	408	157	Afrikaans (1379)	32

Vredendal at a glance

Vredendal was founded in 1938 as a mission town and has since developed into a modern town with well-developed infrastructure that supports a leading agriculture industry and a population of around 18,000. The town is also home to almost all government departments. Vredendal is by far the most developed and densely populated town in the area and is also centrally located, rendering it the logical economic and administrative centre. The town is located 22km east of Vanrhynsdorp on the West Coast tourism route and 300km north of Cape Town.

The town is ranked 38th out of 131 towns in terms of development potential, presenting a number of economic development opportunities. As a service centre to the intensively developed agriculture area with a medium and high quantitative and qualitative development potential respectively, Vredendal has the potential to grow its economy to new heights. The town is well connected to the surrounding towns, the rural areas within its jurisdictional area and the region as a whole. The growth potential of the town should be regarded as high, although certain critical challenges will have to be managed carefully if the growth is to be sustainable. Some of these challenges relate to the need to improve the water resources and the growing housing backlog of more than 2,000 houses which will have a further impact on the economy and services. Some of the direct economic challenges that will impact entrepreneurship, unemployment and poverty alleviation positively are to encourage the establishment of processing facilities for the many raw products that are produced locally. The

resuscitation of the underutilised railway line will impact the establishment of processing facilities positively.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal
18170	8909	9261	6193	1298	Afrikaans (14976)	-

Klawer/Trawal at a glance

The town is located 22km south of Vanrhynsdorp and 280km north of Cape Town on the CapeNamib tourism route and developed from a railway crossing between Cape Town and Bitterfontein. Since the reduction in rail transport, the agriculture sector and services industry continued to provide income to the population of Klawer. Klawer is surrounded by many farms and attracts a large number of tourists to the area to join in the agri-tours offered by the Kapel farm in the area.

Klawer is ranked relatively low in terms of development potential and requires large financial input to encourage private sector investment as a means to stimulate the local economy. The resuscitation of the railway line between Cape Town and Bitterfontein will add value to the economic base of Klawer. The focus should be directed towards social investment as recommended by the Provincial Government in terms of the growth potential for towns.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
6234	3062	3172	1768	371	Afrikaans (5557)	23

Vanrhynsdorp at a glance

Vanrhynsdorp is the most southern and oldest town in Namaqualand. It exists since 1661. The town is also the gateway to the Western Cape, Upington, Johannesburg, Namibia, Vredendal and the coastal towns. Vanrhynsdorp is located 300km north of Cape Town on the intersection

between the Cape Namib, Namakwari and West Coast Karoo tourism routes. The economic base comprises the services and agriculture industries.

The town is ranked 60th in terms of development potential primarily influenced by the surrounding farms, services sector and the Vanrhynsdorp prison currently under construction to increase the holding capacity and related services. The climate and vast open spaces of vacant land make Vanrhynsdorp, home to indigenous medicinal plants ideal for the reproduction of these plants. The hot and arid climatic conditions are ideal for crocodile and ostrich farming and warrant further research.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
6273	3029	3244	1898	224	Afrikaans (5600)	28

Nuwerus, Bitterfontein, Kliprand, Stofkraal, Molsvlei and Rietpoort at a glance

Nuwerus is a settlement in the West Coast District Municipality in the Western Cape province of South Africa. Village 16 km south-east of Bitterfontein and 70 km north-west of Vanrhynsdorp. The name is Afrikaans and means ‘new rest’.

Bitterfontein is situated approximately 380km from Cape Town, along the N7. Bitterfontein, although not much more than the hotel, a few shops and the station, harbors a few interesting facts. The name is, quite literally, derived from the fountain of bitter, really brackish, water which is still the main source of water for the town. It also boasts the first desalination plant to purify drinking water, for a town in the southern hemisphere. This plant and the salt pans are clearly visible from the road, immediately before the turn-off towards the town, and the plant has recently linked up with Rietpoort, a nearby village, to provide them with valuable blue drop status, drinking water. The fresh water was also essential in the days of steam locomotion to transport freight and passenger.

Kliprand is situated in the Bushman land, with its spacious grassy plains surrounded by mountains. Handcraft: The Kliprand Senior Citizens Club manufactures textile painting items and the Kliprand Needlework Group uses solar power to drive the sewing machines with which they manufacture clothing. Several species of reptiles are found around Kliprand, two of them Red Data species, the rare armadillo lizard and the padloper tortoise. Plans are underway to establish a reptile interpretation centre at Kliprand.

Stofkraal and Molsvlei: The rural way of life still reigns in Stofkraal and Molsvlei. Almost every house has an outside clay oven for baking the famous “soetsuurdeeg” bread of the area, donkey carts are still a frequently used method of transport and goat- and sheep farming are the main activities. Herders walking with their flocks are often spotted on the hillsides. There are some beautiful walks around these two villages and a number of local people, knowledgeable about the veld and medicinal plants, which will accompany visitors on walks.

Rietpoort is situated 28km northwest of Bitterfontein in the Namaqualand region of the West Coast. It can be reached via a good gravel road. It was established by a Dutch Catholic Missionary, Father Cornelius van't Westeinde who arrived here in 1913. He spent his first 18 months in the area in a cave just outside the town, which can still be visited today. He began his ministry in the open air before a church was constructed. The beautiful cathedral of Rietpoort was inaugurated in 1937 and Mass is still celebrated at 6pm every day. Visitors are welcome to attend services. The bell in the cathedral tower is rung every day at 6am, 12pm and 6pm to call the townsfolk to prayer. The town is surrounded by granite domes, which change colour according to the time of day - a magnificent sight. In this very dry part of the country, water is always a problem and the people of Rietpoort have always found ingenious ways to obtain water. A desalinisation plant has now been established. There are a number of small settlements in the hills surrounding the town.

Town	Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal
Kliprand	205	84	121	44	29	Afrikaans (199)	200
Rietpoort	971	453	518	210	83	Afrikaans	145

Town	Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal
						(939)	
Bitterfontein	986	486	500	218	67	Afrikaans (951)	115
Nuwerus	650	323	327	116	56	Afrikaans (534)	100

7.2.1 Socio-economic context of the Municipality

Current projections of global and national growth for 2015 suggest that slow economic growth is expected to persist. The Western Cape economy is forecast to grow at 2.1 per cent in 2015, and on average 2.7 per cent over the 2014 – 2019 period. Key recent economic developments at a macro level include the decline in oil prices, depreciation in the exchange rate and the recent moderation of the inflation rate which impact on national and regional growth prospects.

Key risks include energy supply constraints, and the resultant impact of lower investor confidence. The implication of the weak economic environment is a more constrained fiscal outlook, which has translated into expenditure reductions and tax proposals as highlighted in the National budget which requires a strong emphasis on balancing public finances while also targeting initiatives to support inclusive economic growth and job creation.

The table below provides a socio-economic overview of the West Coast District Municipalities.

Municipality	Population size				Unemployment Rate %		Youth Unemployment %		GDP (2013)			Human Development Index		Gini coefficient	
	2001	2011	2013	Average Annual Growth	2001	2011	2001	2011	GDP (R in Millions)	GDP Per capita 2013	Real GDP-R Growth (2000-2013)	2011	2012	2011	2012
West Coast District	282 673	391 766	403995	3.0%	13.2	14.6	17.3	18.2	11382	28173	3.4%	0.67	0.67	0.58	0.59
Matzikama	50 207	67 147	68712	2.6%	16.5	14.0	22.7	19.3	1738	25291	1.3%	0.67	0.67	0.59	0.60
Cederberg	39 320	49 768	50999	2.2%	10.2	10.5	13.3	13.8	1013	19858	2.3%	0.64	0.65	0.60	0.61
Bergriver	46 330	61 897	63900	2.7%	7.6	6.8	10.0	9.6	1505	23555	2.9%	0.66	0.66	0.58	0.59
Saldanha Bay	70 439	99 193	103312	3.2%	21.5	23.4	26.8	30.4	3655	35382	4.6%	0.71	0.71	0.55	0.56
Swartland	72 118	113 762	117072	4.1%	10.2	12.7	13.6	17.9	3314	28307	3.9%	0.66	0.66	0.59	0.60

Source: Socio Economic Profiles: West Coast District (Provincial Treasury)

Population: The population of Matzikama accounts for the third largest proportion of the West Coast District population after Swartland and Saldanha Bay with a population of 67 147 and grew by 2.9 per cent on average per annum from 50 207 in 2001 to 67 147 in 2011.

Employment: Matzikama Municipality (14.0 per cent) record moderate unemployment statistics in light of their economic ranking within the West Coast District. For the period 2000 - 2013, the biggest net job losses occurred in the in the Agriculture, forestry and fishing (3 260), and to a lesser extent Manufacturing (100) whilst the Services sectors created 410 jobs.

GDP: Agriculture, forestry & fishing accounts for the majority of the municipality's output at 19.58 per cent of Total GDP-R output in 2013, followed by manufacturing (16.13%), Finance & business services (14.29%) and lastly, Wholesale & retail trade and accommodation (12.83%) making up the notable key sectors within the local economy.

Given the relative importance of the Agriculture sector within the Matzikama municipal economy and its implications for rural employment, the short-term economic prospects are a challenge. Manufacturing is the largest contributing sector towards GDP-R in Matzikama (19.9 per cent). This is followed by Agriculture, forestry and fishing (18.9 per cent) and Transport, storage and communication (16.2 per cent).

HDI: The HDI of Matzikama measured 0.67 in 2012 which indicates that the municipal area still needs to improve in terms of human development (education, health, nutrition, gender, etc.)

Gini-Coefficient: In terms of the Gini coefficient, Matzikama measures moderately when (0.60) compared to the neighboring municipalities within the West Coast district. However, this figure which is closer to one deems the overall inequalities within the municipality as high.

The table below reveals the social indicators in terms of education, health and crime

Municipality	Education			Health			Crime* (per 100 000 population)		
	Literacy (2011)	Matric pass rate (2014)	Average drop out rate (2012)	Full immunisation rate (2014)	Delivery rate to women under 18 years (2014)	ART patient load (2014)	Burglaries at residential properties (2013/14)	Drug related crime (2013/14)	Murder (2013/14)
Western Cape	87.2%	82.2%	38.9%	80.3%	6.3	159581	846	1430	49
West Coast District	79.1%	88.4%		96.7%	7.7	5553	597	1299	28
Matzikama	76.4%	93.7%	40.5%	90.2%	8.7	812	509	945	47
Cederberg	73.2%	88.2%	41.6%	101.1%	10.0	1063	445	1606	51
Bergriver	76.4%	84.1%	40.0%	93.7%	11.8	601	321	1679	17
Saldanha Bay	86.7%	87.9%	33.2%	95.4%	6.3	1779	924	801	24
Swartland	78.0%	88.3%	32.9%	102.9%	8.5	1298	577	1604	17

*Crime rate per 100 000 population; based on Dept of Social Development 2013 population projections.

Source: Socio Economic Profiles: West Coast District (Provincial Treasury)

Education and training improves access to employment opportunities and helps to sustain and accelerate overall development. Overall Matzikama's education indicators show some challenges within the system. Its literacy is below that of the Provincial average while its school drop-out rate is at a high 40 per cent. It has however done exceptionally well in terms of matric pass rate, at 93.7 per cent, which is above both the Provincial and District rates.

West Coast's full immunisation rate (96.7 per cent) as well as that of Matzikama (90.2 per cent), which speaks to the protection of both adults and children against preventable infectious diseases, is well above that of Province (80.3 per cent). Births to teenage mothers are often unplanned and places personal and financial pressures on young adults and those who support them. Matzikama's delivery rate to women under 18 years is above the District and Provincial averages.

Personal impressions, as well as official statistics on safety and crime issues mould perceptions of areas as living spaces as well as places in which to establish businesses. In this way, crime can also have a significant impact on the economy. Although, Matzikama's burglaries at residential premises and drug related crime (per 100 000 population) figures are below that of the District and Provincial rates; it does however have a particular challenge is with respect to murders.

The table below provides a clear picture of the linkage between the budget and the strategic objectives of Council.

7.3 Situational Analysis

7.3.1 Demographic

This sub-section deals with population groups, age and location of the residents of a specific region. Distributions of values within a demographic variable, and across households, as well as trends over time are of interest. In this section, an overview is provided of the demography of the Matzikama Local Municipality in comparison to the West Coast District Municipality (WCDM), Western Cape Province (WCP) and South Africa (SA) as a whole.

7.3.1.1 Total Population

Population statistics is important when analysing an economy, as the growth in population directly impacts employment and unemployment as well as other economic indicators like economic growth and per capita income. One of the major challenges faced by the Matzikama Municipality is the ability to provide low cost housing to a ever growing housing list. Population growth impacts the provision of houses in a big way.

With more than 66 000 people living in Matzikama, the local municipality housed 0.1% of South Africa's total population in 2012. Between 2002 and 2012 the population growth averaged 1.67% per annum which is slightly higher than the growth rate of South Africa as a whole (1.28%), but compared to West Coast's average annual growth rate (2.87%), Matzikama's population has grown at a about half rate of 1.67%.

The table above compare the population of the Matzikama Municipality with the rest of the B- Municipalities in the WCDM. When compared to other B- Municipalities in the same district, Matzikama with a total population of more than 66,000 or 16.7% of the total population in West Coast ranks third in 2012. The ranking in terms of size compared to the other regions of Matzikama remained the same between 2002 and 2012. In terms of its share, it was in 2012 (16.7%) significant smaller compared to what it was in 2002 (18.8%). When looking at the average annual growth rate, it is noted that Matzikama ranked lowest (relative to its peers in terms of growth) with an average annual growth rate of 1.7% between 2002 and 2012.

7.3.1.2 Population Forecast

Based on the present age-gender structure and the present fertility, mortality and migration rates, Matzikama's population is forecast to grow at an average annual rate of 1.4% from 2012 to 70 600 in 2017.

When looking at the population forecast of Matzikama Local Municipality shows an estimated average annual growth rate of 1.4% from 2012 with more than 66 000 people which is estimated to increase to 70 600 people in 2017. The average annual growth rate in the population over the forecasted period for West Coast District Municipality, Western Cape Province and South Africa is 2.0%, 1.5% and 2.0% respectively.

The population pyramid above reflects a change in the structure of the population from 2012 and 2017. The differences can be explained as follow:

- In 2012, there is a slightly larger share of young working age people between 20 and 34 (24.5%), compared to what is estimated in 2017 (23.5%). This age category of young working age population is decreasing overtime.
- The fertility rate in 2012 is estimated to be very similar compared to that of 2017.
- The share of children between the ages of 0 to 14 years is very similar (27.7%) in 2012 compared to 2017 (27.8%).

In 2012, the female population for the 20 to 34 years age group amounts to 12.2% of the total female population while the male population group for the same age amounts to 12.3% of the total male population. In 2017 the male working age population at 11.9% still exceeds that of

the female population working age population at 11.6%, although both are at a lower level compared to 2012.

7.3.1.3 Population by Population Group, Gender and Age

The total population of a Municipality is the total number of people within that Municipality measured in the middle of the year. Total population can be categorised according to the population group, as well as the sub-categories of age and gender. The population groups include African, White, Coloured and Asian, where the Asian group includes all people originating from Asia, India and China. The age subcategory, divides the population into 5-year cohorts, e.g. 0-4, 5-9, 10-13, etc.

Matzikama Local Municipality's male/female split in population was 1 female per male in 2012. In total there were 33 000, (50.05%) females and 33 000 (49.95%) males. This is different from West Coast as a whole where the female population counted 200 000 which constitutes 50.59% of the total population of 395 000.

In 2012, the Matzikama Municipality's population consisted of 8.72% African (5 760), 14.73% White (9 730), 75.90% Coloured (50 100) and 0.64% Asian (425). The largest share of population is within the 00-04 age category with a total number of 6 730 or 10.2% of the total population. The age category with the second largest number of people is the 05-09 age category with a total share of 9.3%, followed by the 20-24 age category with 5 680 people. The age category with the least number of people is the 70-74 age category with only 1 120 people, as reflected in the population pyramids below.

7.3.1.4 Population Pyramids

By definition a population pyramid is a graphic representation of the population categorised by gender and age, for a specific year and region. The horizontal axis depicts the share of people, where the male population is charted on the left-hand side and the female population on the right-hand side of the vertical axis. The vertical axis is divided in 5-year age categories. With the African population group represents 8.7% of the Matzikama Local Municipality's total population, the overall population pyramid for the region will mostly reflect that of the African population group.

The chart below compares Matzikama's population structure of 2012 to that of South Africa.

By comparing the Matzikama Municipality's population pyramid with South Africa's several signs of change can be noticed. The most significant differences between the Matzikama and South Africa are:

- There is a significant smaller share of young working age people - aged 20 to 34 (24.5%) in Matzikama, compared to the national picture (27.0%)
- The area seems to be a migrant sending area, with many people leaving the area to find work in the bigger cities.
- Fertility in Matzikama is slightly lower compared to South Africa as a whole.
- Spatial policies changed since 1994.
- The share of children between the ages of 0 to 14 years is significant smaller (27.7%) in Matzikama compared to South Africa (29.7%). Demand for expenditure on schooling as percentage of total budget within Matzikama will be lower than that of South Africa.

7.3.1.5 Number of House Holds by Population Group

By Definition a household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. An individual is considered part of a household if he/she spends at least four nights a week within the household. To categorise a household according to population group, the population group to which the head of the household belongs, is used.

If the number of households is growing at a faster rate than that of the population it means that the household size is decreasing and vice versa. In 2012, the Matzikama Local Municipality comprised of 17 900 households. This equates to an average annual growth rate of 1.13% in the number of households from 2002 to 2012. With an average annual growth rate of 1.67% in the total population, the household size in the Matzikama Local Municipality is by implication increasing. This is confirmed by the data where the average household size in 2002 increase from approximately 3.5 individuals per household to 3.7 persons per household in 2012.

Relative to the district municipality, Matzikama had a lower average annual growth rate of 1.13% from 2002 to 2012. In contrast, the province had an average annual growth rate of 2.17% from 2002. South Africa as a whole had a total of 14.7 million households, with a growth rate of 2.07%, thus growing at a higher rate than the Matzikama. The composition of the households

by population group consists of 67.8% which is ascribed to the Coloured population group with the largest amount of households by population group. The White population group had a total composition of 21.4% (ranking second). The African population group had a total composition of 10.2% of the total households. The smallest population group by households is the Asian population group with only 0.6%.

The growth in the number of households for the African population is on average 4.68% per annum for the period 2002 to 2012, which translates to an increase of 673 in households over the period. The average annual growth rate in the number of households for all the other population groups has increased with 0.80%.

7.3.1.6 HIV+ and Aids Estimates

In 2012, 1 870 people in the Matzikama Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 9.13% since 2002, and in 2012 represented 2.83% of the local municipality's total population. West Coast had an average annual growth rate of 10.25% from 2002 to 2012 in the number of people infected with HIV, which is higher than that of the Matzikama Local Municipality. The number of infections in Western Cape Province increased from 142,000 in 2002 to 307,000 in 2012. When looking at South Africa as a whole it can be seen that the number of people that are infected increased from 2002 to 2012 with an average annual growth rate of 3.29%.

7.3.2 Economic

The economic state of Matzikama Municipality is put in perspective by comparing it on a spatial level with South Africa, Western Cape Province, West Coast District Municipality and the economies of the neighbouring municipalities.

7.3.2.1 Gross Domestic Product by Region (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states. By definition Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies. GDP-R can be measured using either current or

constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth as if prices were frozen in a given base year.

With a GDP of R 3.24 billion in 2012 (up from R 1.29 billion in 2002) Matzikama Local Municipality contributed 16.14% to the West Coast District Municipality GDP of R 20.1 billion in 2012. The Matzikama Local Municipality contributes 0.72% to the GDP of Western Cape Province and 0.10% the GDP of South Africa which had a total GDP of R 3.16 trillion at current prices in 2012.

In 2012, the Matzikama Local Municipality had an annual growth rate of 0.49% in GDP which is lower than the West Coast District Municipality with GDP growth of 1.08%. The Matzikama

Municipality has lower GDP growth than Western Cape Province's 2.85%, but is lower than that of South Africa as a whole, where the 2012 GDP growth rate is 2.55% in constant 2005 prices.

The Matzikama Municipality, with a total GDP of R 3.24 billion, contributes a third of all the economies of neighbouring Municipalities to total West Coast GDP. This ranking in terms of size compared to other Municipalities of Matzikama remained the same since 2002. In terms of its share, it was in 2012 (16.1%) slightly smaller compared to what it was in 2002 (16.4%). For the period 2002 to 2012, the average annual growth rate of 2.9% of Matzikama was the fourth relative to its peers in terms of growth in constant 2005 prices.

7.3.2.2 Economic Growth Forecast

It is expected that Matzikama Local Municipality's GDP will grow at an average annual rate of 3.17% from 2012 to 2017. The average annual growth rate in the GDP of West Coast District Municipality and Western Cape Province is expected to be 3.41% and 3.89% respectively. South Africa is forecasted to grow at an average annual growth rate of 3.72%, which is higher than that of the Matzikama Local Municipality.

In 2017, Matzikama's forecasted GDP will be an estimated R 2.19 billion (constant 2005 prices) or 15.1% of the total GDP of West Coast. The ranking in terms of size of Matzikama will remain the same between 2012 and 2017, with a contribution to the West Coast District Municipality GDP of 15.1% in 2017 compared to the 15.3% in 2012. At a 3.17% average annual growth in GDP between 2012 and 2017, Matzikama ranked the fourth compared to the other regional economies.

7.3.2.3 Gross Value Added by Region (GVA-R)

Matzikama Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its "value added" produced in the local economy. By definition Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors. The summary table below puts the Gross Value added (GVA) of all the regions in perspective to that of the Matzikama Local Municipality.

In 2012, the Agriculture sector is the largest within Matzikama Municipality accounting for R 738 million or 25.34% of the total GVA in Matzikama. The sector that contributes the second most to the GVA of the Matzikama Local Municipality is the Community services sector with 15.71%, followed by the Trade sector with 13.86%. The sector that contributes the least to the

economy of Matzikama Local Municipality is the Construction sector with a contribution of R 97.5 million or 3.35% to the total GVA.

7.3.2.4 Historical Growth Rate

For the period 2012 and 2002 the GVA in the Finance sector had the highest average annual growth rate in Matzikama at 5.56%. The industry with the second highest average annual growth rate is the Construction sector at 4.93% per year. The Agriculture sector had an average annual growth rate of 1.51%, while the Manufacturing sector had the lowest average annual growth of 1.08%. Overall a positive growth existed for all the industries in 2012 with an average annual growth rate of 0.05%.

The Tertiary sector contributes the most to the Gross Value Added within Matzikama Local Municipality at 48.0%. The Primary sector contributed a total of 33.7% (ranking second), while the aggregate economic sector that contributed the least to the total GVA is the Secondary sector with a total of 18.3%.

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in Matzikama Local Municipality from 2002 to 2012.

Between 2002 and 2012 the agriculture sector experienced the highest positive growth in 2008 with an average growth rate of 20.9%. The mining sector reached its highest point of growth of 33.0% in 2003. The agricultural sector experienced the lowest growth for the period during 2006 at -6.4% between 2002 and 2012, while the mining sector reaching its lowest point of growth in 2009 at -10.2%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Matzikama Local Municipality from 2002 to 2012.

Between 2002 and 2012 the manufacturing sector experienced the highest positive growth in 2004 with an average growth rate of 5.4%. The construction sector reached its highest growth in 2002 of 32.2%. The manufacturing sector experienced the lowest growth in 2010 of -8.1%, while construction sector reached its lowest point of growth in 2010 with -1.7% growth rates. The electricity sector experienced the highest growth in 2003 at 15.9%, while it recorded the lowest growth of -7.3% in 2008.

The tertiary sector consists of four broad economic sectors namely the trade sector, transport sector, finance sector and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Matzikama Local Municipality from 2002 to 2012

The Trade sector experienced the highest positive growth in 2005 with an average growth rate of 7.7%. The Transport sector reached its highest point of growth in 2003 at 10.5%, while the Finance sector experienced the highest positive growth in 2006 when it recorded growth of 28.7%. The Finance sector recorded the lowest growth rate in 2010 with -12.8% growth rate, while the Trade sector had the lowest growth rate in 2009 at -3.0% which is a lower growth rate than that of the Finance sector. The Community Services Sector, which largely consists of government, experienced its highest positive growth in 2008 with 5.0% and the lowest growth rate in 2002 with 0.7%.

7.3.2.5 Sector Growth Forecast

The GVA projections are based on projected growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have

prominent sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2005) so the emphasis moves from historical growth rates to national-level industry growth rates.

The Finance sector is expected to grow the most at an average of 4.7% annually from R 270 million in Matzikama Municipality to R 341 million in 2017. The Agriculture sector is estimated to be the largest sector within the Matzikama Local Municipality in 2017 with a total share of 25.9% of the total GVA, growing at an average annual rate of 1.9%. The sector that is estimated to grow the least is the Agriculture sector with an average annual growth rate of 1.9% it is expected to only increase with R 44.3 million.

7.3.2.6 Tress Index

The Tress index is estimated by ranking the nine sectors according to their contribution to Gross Value Added (GVA) and then adding the values cumulatively and indexing them. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region.

In 2012, Matzikama's Tress Index was estimated at 35.5 which are higher than the 33.4 of the district municipality but lower than the 33.4 of the province as a whole. Matzikama Local Municipality's Tress Index is lower than that of national as a whole which implies that Matzikama Municipality is more diversified in terms of its economic activity spread than the economy of South Africa as a whole.

7.3.2.7 Location Quotient

A specific municipal economy has a comparative advantage over other municipal economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage by taking into account production and employment. If the location quotient is larger than one for a specified sector within a municipality, then that municipality has a comparative advantage in that sector. This is because the share of that sector of the specified municipal economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the

municipal economy divided by the percentage share of that same sector in the national economy.

For 2012 Matzikama Municipality has a very large comparative advantage in the Agriculture sector. The Electricity sector also has a very large comparative advantage. The Matzikama Local Municipality has a comparative disadvantage when it comes to the Transport sector which has a comparative disadvantage. The Finance sector has a comparative disadvantage compared to the economy of South Africa as a whole. The Manufacturing also have a comparative disadvantage compared the economy of South Africa as a whole.

7.3.3 Labour

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This is also called the economically active population (EAP). People not

included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

The working age population in Matzikama in 2012 was 43 500. This is an average annual increase of 1.88% since 2002. For the same period the working age population for West Coast District Municipality increased at 3.10% annually, while that of Western Cape Province increased at 2.16% annually. South Africa's working-age population of 29.5 million people in 2002 increased annually by 1.36% to 33.7 million in 2012.

7.3.3.1 Economically Active Population (EAP)

The economically active population (EAP) is a good indicator of how many of the total working age population are in reality participating in the labour market of a region. If a person is economically active, he or she forms part of the labour force. By definition economically active population (EAP) is defined as the number of people (between the age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves unemployed. Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

Matzikama Municipality's EAP was 25 200 in 2012, which is 38.11% of its total population of 66 000, and roughly 17.81% of the total EAP of the West Coast District Municipality. From 2002 to 2012, the average annual increase in the EAP in the local municipality was 2.33%, which is 0.638 percentage points lower than the growth in the EAP of West Coast's for the same period.

7.3.3.2 Labour Force Participation Rate

By definition the labour force participation rate (LFPR) is the Economically Active Population (EAP) expressed as a percentage of the total working age population. The following is the labour participation rate of the Matzikama, West Coast, Western Cape and National Total as a whole.

From 2002 to 2012, Matzikama's labour force participation rate increased from 55.42% to 57.88% which is an increase of 2.46 percentage points. The West Coast District Municipality decreased from 53.83% to 53.12%, Western Cape Province increased from 56.88% to 62.86% and South Africa increased from 50.01% to 51.73%.

In 2012 the labour force participation rate for Matzikama was at 57.9% which is slightly higher from 55.4% in 2002. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. The unemployment rate for Matzikama was 16.0% in 2012 and decreased overtime from 2002 (11.3%). The gap between the labour force participation rate and the unemployment rate increased which indicates a positive outlook for the employment within Matzikama Municipality.

7.3.3.3 Total Employment

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural

changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators. By definition total employment consists of two parts: employment in the formal sector, and employment in the informal sector.

In 2012, Matzikama employed 20 800 people which is 18.08% of the total employment in West Coast (115 000), 1.07% of total employment in Western Cape Province (1.95 million), and 0.16% of the total employment of 13.1 million in South Africa. Employment within Matzikama increased annually at an average rate of 1.83% from 2002 to 2012.

Matzikama Municipality employs a total number of 20 800 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions

within West Coast is Saldanha Bay with a total number of 36 800. The local municipality that employs the lowest number of people relative to the other regions within West Coast is Cederberg with a total number of 14 100 employed within the local municipality. In Matzikama Municipality the economic sectors that recorded the largest number of employment in 2012 were the Agriculture sector with a total of 6 690 or 32.1% of the total employment. The Trade sector with a total of 3 900 (18.7%) employs the second highest relative to the rest of the sectors. The Electricity sector with 172 (0.8%) is the sector that employs the least number of people in Matzikama, followed by the Construction sector with 874 (4.2%) people employed.

7.3.3.4 Unemployment

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers). The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

- "Without work", i.e. not in paid employment or self-employment;
- "Currently available for work", i.e. were available for paid employment or self-employment during the reference period; and
- "Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

In 2012, there were a total number of 4 040 people unemployed in Matzikama, which is an increase of 1 780 from 2 250 in 2002. The total number of unemployed people within Matzikama constitutes 17.33% of the total number of unemployed people in West Coast District Municipality. The Matzikama Local Municipality had an average annual increase of 6.01% which is lower than that of the West Coast District Municipality which had an average annual growth rate of 6.51%

In 2012, the unemployment rate in Matzikama Local Municipality (based on the official definition of unemployment) was 16.04%, which is an increase of 4.78 percentage points. The unemployment rate in Matzikama Local Municipality is lower than that of West Coast, the

growth in the unemployment rate in Matzikama Local Municipality is higher. The unemployment rate for South Africa was 24.97% in 2012, which is a decrease of 4.68 percentage points from 2002 at 29.65%.

7.3.4. Income and Expenditure

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

7.3.4.1 Number of Households by Income Category

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution. Income categories start at R0 - R2 400 per annum and go up to R2 400 000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

It was estimated that in 2012, 19.81% of all the households in the Matzikama Municipality, were living on R30 000 or less per annum. In comparison with 2002's 52.80%, the number is about half. The 132000-192000 income category has the highest number of households with a total number of 1 960, followed by the 192000-360000 income category with 1 920 households. Only 4.9 households fall within the 2400000+ income category.

For the period 2002 to 2012 the number of households earning more than R30 000 per annum has increased from 80.19% to 47.20%.

7.3.4.2 Annual Personal Income

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits. Definition: Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

Matzikama Municipality recorded an average annual growth rate of 10.79% (from R 1.03 billion to R 2.86 billion) from 2002 to 2012, which is less than West Coast's (10.92%), but more than Western Cape Province's (10.57%) average annual growth rate. South Africa had an average annual growth rate of 10.25% (from R 826 billion to R 2.19 trillion) which is less than the growth rate in Matzikama Local Municipality.

The total personal income of Matzikama Local Municipality amounted to approximately R 2.86 billion in 2012. The Coloured population group earned R 1.21 billion, or 42.27% of total personal income, while the White population group earned R 1.58 billion, or 55.26% of the total personal income. The African and the Asian population groups only had a share of 2.05% and 0.42% of total personal income respectively.

7.3.4.3 Annual Income per Capita

Per capita income refers to the income per person. Thus, it takes the total personal income per annum and divides it equally among the population. Per capita income is often used as a measure of wealth particularly when comparing economies or population groups. Rising per capita income usually indicates a likely swell in demand for consumption.

Although the per capita income in Matzikama Municipality is R 43,200 which is lower than the Western Cape (R 56,000), it is higher than that of the West Coast District Municipality (R

39,800). The per capita income for Matzikama Local Municipality (R 43,200) is higher than that of the South Africa as a whole which is R 41,900.

Saldanha Bay has the highest per capita income with a total of R 48,800. Matzikama has the second highest per capita income at R 43,200 and Swartland has the lowest per capita income at R 34,200. In Matzikama Municipality, the White population group has the highest per capita income, with R 162,000, relative to the other population groups. The population group with the second highest per capita income within Matzikama Local Municipality is the Coloured population group (R 24,100). Some of the population groups - where there are less than 1,000 people living in the area were excluded from the analysis.

7.4 Basic municipal services

This section provides the readers with brief information in relation to the availability and backlogs of the different municipal services provided by the Matzikama Municipality.

7.4.1 Water

All towns and or villages in the eight different wards have access to potable water. The Matzikama Municipality is home to 18835 households according to the most recent census. All of the households located in the formal and informal areas have access to potable water. Only the new established settlements that are home to less than 1% of the population do have access to water in the form of stand pipes which is within a radius of 200m.

The Clanwilliam dam is the source of bulk water to seven of the eight wards within Matzikama municipality. Only ward eight that is situated in the northern parts of the municipality is supplied with water from boreholes in the area that gets treated at the desalination plant in

Bitterfontein. As a result of the scarcity of water in ward eight the cost of water is very high in an area where the majority of the population is dependent on government grants. Bulk provision of water is likely to be a problem from existing sources in the future in ward 8 as future supply cannot be guaranteed. See WSDP aspart of the sector plans.

See table below for water services provided

Ward	Piped (tap) water inside dwelling/institution	Piped (tap) water inside yard	Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	No access to piped (tap) water
Matzikama	13579	3624	958	122	27	9	517
1	1983	201	215	24	11	1	67
2	1930	382	73	3	-	-	39
3	1082	395	419	52	3	5	22
4	1552	399	22	3	-	-	10
5	1831	407	80	12	-	-	63
6	1327	564	49	12	1	3	30
7	2296	424	29	4	2	-	18
8	1577	852	71	12	10	-	267

The Water Services Development Plan (WSDP) for the 2013/14 financial year was adopted by Council at the end of May 2013. The WSDP will be updated annually. The municipality's average blue drop score increased from 32% in 2011/12 to 70.29% in 2012/13.

7.4.1.1 Conservation and Demand Management

Status Quo:

The implementation of WC/WDM interventions in MM has been limited, primarily due to a lack of human resource capacity to undertake the necessary work and the budget constraints. The Municipality however improved their meter reading data drastically over the last two years in order to monitor the percentage of nonrevenue water for the various distribution systems more accurately. MM still needs to focus on the installation of water saving devices (specific water efficient toilets). In order to reduce the water demand and the percentage of non revenue water in the future it is important for the Municipality to raise awareness regarding

conservation products and the installation of these products. MM realises the importance of good communication with the public and involving community members on a regular basis. Community members are made aware of safe handling of water, hygienic sanitation practices and how to conserve and not misuse water. Good communication ensures consumer trust and confidence.

Total transparency is therefore one of the main objectives when public notifications are distributed by MM. High on the list of priorities in these communications, mostly through newsletters, is how to conserve water and reduce any wastage. MM also have standby teams available after hours and over weekends, besides the planned and scheduled O&M activities, in order to allow for unscheduled responses to service breakdowns due to mal-functioning equipment, vandalism, emergency situations, etc. This allows MM to be able to quickly assess service breakdowns and re-allocate staff and resources to do unscheduled repairs, and then quickly return to the regular and scheduled O&M activities. The technical personnel ensure that sufficient repair materials, consumables and back-up equipment are also readily available in the stores.

7.4.2 Electricity

All of the formal and all the organised informal settlement areas have access to electricity. The biggest challenge the majority of electricity consumers experience is the price of electricity especially the poorest of the poor. In some of the poor areas of the municipality households are starting to use firewood as a source of energy due to the ever increasing price of electricity especially in Ward 8.

Matzikama is nearing its capacity in terms of electricity supply especially to new developments. This might pose a serious challenge to future developments. To overcome the challenge an investment of R10 million is required.

Service	Number of households	Percentage (%)
Electricity	16 713	89.0

An electricity master plan has not been prepared by the Municipality. Figure 3.4.6.1 indicates the electricity network plan for the Municipality. According to the Human Settlement Plan 2009 – 2012, areas in need of electrical supply upgrading include Doringbaai, Klawer, Lutzville and Vanrhynsdorp.

See table below for electricity services provided

Ward	Availability	Backlog
Ward 1	2271	19
Ward 2	2230	28
Ward 3	1462	6
Ward 4	1839	1
Ward 5	2186	11
Ward 6	1734	9
Ward 7	2531	14
Ward 8	2459	5

7.4.3 Sanitation

A small percentage of households in the Matzikama are still depending on septic tanks whilst the majority are connected to a sewerage network. 40 Informal dwellings in Riemvasmaak (Ward 6) do not have access to proper basic services. Sewerage works will be completed by January 2015 where application for external funds will be made for services. All bucket toilets were eradicated until the last local government elections after which the previously district managed area was incorporated into the Matzikama municipal area. The list below indicates the villages with dry bucket system toilets.

- Kliprand – 54
- Stofkraal – 95
- Molsvlei – 79
- Rietpoort – 32
- Putsekloof – 66

It will remain a challenge to replace the dry bucket system toilets with flush toilets due to the scarcity of water in the area. This is also the reason why these toilets were introduced by the West Coast District Municipality in the first place. All households have either a toilet on site or have access to a toilet.

See table below sanitation services provided

	None	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit toilet with ventilation (VIP)	Pit toilet without ventilation	Bucket toilet	Other
Matzikama	1705	11689	1482	67	251	212	433	2996
1	283	1941	156	5	2	17	41	57
2	71	1582	90	3	9	10	109	553
3	467	1350	19	1	1	1	42	96
4	51	1379	10	2	4	4	41	495
5	153	1090	84	3	-	3	38	1023
6	116	1503	272	2	1	3	33	55
7	219	1462	624	14	15	19	43	378
8	345	1382	227	37	219	154	86	340

7.4.4 Cleaning services

All households (formal and informal) have 100 % access to this service. Refuse collection are rendered once a week to all residents of the municipality and they are provided with black bags free of charge and a service once a week. Closure permits for all landfill sites has been issued in 2013.

See table below sanitation services provided

Households	
Description	2013/14
Solid Waste Removal (Minimum level)	
Removed at least once a week	12780
Minimum Service Level and above sub-total	12780
Minimum Service Level and Above percentage	
Solid Waste Removal: (Below minimum level)	
Removed less frequently than once a week	0
Using communal refuse dump	0
Using own refuse dump	0
Other rubbish disposal	0
No rubbish disposal	0
Below Minimum Service Level sub-total	0
Below Minimum Service Level	0
Total number of households	12780

Refuse Removal Service Delivery Levels

Refuse Removal Service Delivery levels			
Description	2012/13	2013/14	
Removed at least once a week	9953	10453	
Removed less frequently than once a week	0	0	
Using communal refuse dump	0	0	
Using own refuse dump	0	0	
Other rubbish disposal	0	0	

7.4.5 Streets and storm water

Matzikama Municipality have a huge backlog in the surfacing of road. The municipality make use of National and Provincial Grants (example MIG) to eradicate the backlog. This is however, not enough as the backlog on roads are huge and would require large amounts of money to eradicate.

Patching of potholes, replacement of curbs, and cleaning of stormwater networks are done by the maintenance team of the municipality on a regular basis.

During the 2012/13 financial year the following roads projects were completed:

- Paving of Buitekant Street (270m) Vanrhynsdorp
- Paving of Namakwa Street (1.1km)
- Paving of streets in Lutzville (506m)

The following projects started in 2012/13 and will be completed in 2013/14:

- Paving of gravel roads in Doring Bay (112km)
- Paving of main road in Papendorp (1.44km)
- Paving of gravel roads in Lutzville West (1.800km)

These roads were done on the EPWP principles and it created more or less 200 jobs.

Similar with storm water networks, some of the informal areas suffer from floods during the winter months caused of a lack of proper storm water systems.

All stormwater drainage systems are regularly maintained blockages. Stormwater master plans needs to be developed for all towns within Matzikama. Informal settlements were allocated were allocated to areas where there is storm water drainage.

STORMWATER INFRASTRUCTURE				
KILOMETRES				
Year	Total Storm water measures	New storm water measured	Storm water measures upgraded	Storm water measures maintained
2011/12	25	0	1	15
2012/13	25	0	0	18

7.4.6 All Basic Municipal Services

Basic Municipal Services	Availability	Backlog
Water	18319	516
Sanitation	17130	1705
Electricity	16712	93
Roads & Stormwater	84 %	16 %
Cleaning Services	12780	-

8.1 Introduction

The strategy of the IDP consists of two sections namely the macro or over-arching strategy and the operational strategy each with an own set of objectives. Over-arching or strategic and operational behaviour differs significantly from one another. The differences between the two concepts are discussed below. Strategy refers to the utilization of certain resources in order to achieve the over-arching goal. These resources refer to both capital and human resources. Strategic resources and actions affect the direction of the organization and are aimed at achieving long term goals and objectives. Long term goals and objectives are set by Council in the case of Matzikama Municipality and is designed based on the needs of the public and to achieve the vision of Council. Strategic and operational actions have a reciprocal influence on one another.

Operational activities refer to actions and projects developed to provide a certain quality of service to accomplish the strategy of Council. Matzikama Municipality is no different to other municipalities where the majority of resources are used to provide for operational services delivery. Operational projects and actions are aimed at:

- The provision of a pre-determined service on a pre-determined standard
- The maintenance of a service to provide same on a pre-determined standard
- The expansion of a service in order to ensure the service can be delivered on a pre-determined standard
- The implementation of strategies such a LED strategy

A good example of operational issues is those identified by ward committees and other stakeholders on an annual basis which must be addressed to provide a certain level of service. In essence operational activities are aimed at achievement and or maintenance of certain minimum service levels and operational strategies such as the LED strategy or infrastructure development strategy.

The outcomes approach of the strategy requires Council and Management to think afresh about the logical links between what the Municipality do and what it achieves. The triangle below demonstrates which functions in the strategy development process sits with the leadership which in the case of a municipality is the Council and which functions is the responsibility of the Management. The same triangle also demonstrates the links between inputs, activities, outputs, outcomes and impacts more clearly.

8.2 STRATEGIC SECTION OF STRATEGY

8.2.1 The Challenge

We live in a country with a growing need for municipalities to improve performances across a number of disciplines and for various reasons sometimes beyond their control. The Matzikama Municipality are no different to other local governments that face a range of challenges across the needs-spectrum of society. If the six months of consulting stakeholders is anything to go by then the challenge presented by these communities can be summarised under one single topic called economic development. Despite this not being a constitutional function allocated to municipalities it is the heartbeat of any municipality. Stakeholders that represented the different communities agreed fully to the notion which was confirmed when they directed their attention to job creation and inequality. The challenge facing the Matzikama Council can be summarised as follows:

TO OVERSEE TRANSFORMATION OF THE ECONOMY TO REFLECT THE LOCAL DEMOGRAPHICS OF THE MUNICIPAL AREA, ABSORB LOCAL SKILLS, PRODUCE NEW SKILLS AND ATTRACT INVESTMENT FROM BOTH LOCALLY AND ABROAD

To overcome this challenge the Council of Matzikama Municipality has to perform well across the competency-spectrum of local government and beyond. By performing well in local government functions only will not swing the pendulum in favour of conquering the challenge. This is true as economic development requires all engines of the three spheres of government to work well as the needs of a proliferating economy is not confined to the functions of local government. In addressing this challenge employing all functions allocated to a municipality in an integrated manner is essential as it requires a good performance by all stakeholders to overcome the challenge. Unless Council is able to ensure that through its role as the governing body of the Matzikama Municipality integration between departments at local level, effective intergovernmental relations, making institutions work better and form good partnerships with communities in general its attempt to win the race against the is challenge will be futile.

8.2.2 The Role of Council

In relation to this strategy the role of Council is to overcome the challenge, presented to them by the public of Matzikama and factors beyond their control however, the role become much clearer when read in conjunction with the objectives of a council as stated by the Constitution of South Africa. The objectives set out in section 152 of the Constitution of South Africa qualify the role of a council of a municipality. Ultimately the role of council is to manage its administration and budget and planning processes to give priority to the basic needs of the community and promote the social and economic development of the community. In addition to the above the role of council is extended so as to ensure participation in national and provincial governments programs. If the challenge facing the municipality is unpacked it will come clear that the role of council is to:

- Provide leadership and governance that is constructive and accommodative
- Advance the well-being of communities
- Influence other spheres of government and the private sector to support their vision
- Share ownership with the public
- Conduct research
- Build capacity and
- Make institutions work better

The role of council can be summarised as follows:

IT IS PRIMARILY TO PROVIDE SERVICES TO THE MUNICIPAL AREA AS ARTICULATED IN THE CONSTITUTION; ALL OF WHICH IS ON THE BACK OF AN ECONOMY THAT FORMS THE FOUNDATION OF THE MUNICIPALITY AND NEED THE SUPPORT

The role of Council can only be fulfilled if each and every member of Council fully understands her or his role. Knowing their role as a Council will place them in a position to understand the requirements in terms of their own skills and capacity to successfully fulfil their role. Therefore,

the role of Council is an important if not the most important component in the whole strategy process as it continuously needs to provide guidance and leadership of value.

8.2.3 Vision, Mission and Values

Vision

The vision of the Matzikama Municipality is quite a simple and straight forward one so as to ensure a good understanding by all stakeholders. It was developed as part of a strategic planning session of Council with the intent to answer to the needs of the public of Matzikama in a responsible and accountable manner. The vision is informed by a thorough consultation process conducted over a period of 6 months. Moreover, apart from the quality services and wealth the vision intends to deliver the overall purpose of the vision is to create a socially cohesive community that live in harmony with each other. The vision of the Matzikama Municipality is as follows:

Vision

MATZIKAMA, A SAFE AND JOYFUL PLACE WHERE A HEALTHY, EDUCATED, INFORMED AND COMPASSIONATE COMMUNITY

Mission

PROVIDE TO THE WIDER COMMUNITY AFFORDABLE, QUALITY SERVICES AND PRODUCTS THROUGH GOOD GOVERNANCE AND EFFECTIVE AND SUSTAINABLE UTILIZATION OF ALL

- Accountability and collaboration
- Efficiency and accomplishment
- Teamwork and excellence
- Support
- Positive attitude
- Work in harmony

8.2.4 Strategic Focus Areas of Council

Council identified through an extensive public participation process that lasted for 6 months and culminated in a strategic planning workshop seven strategic focus areas that it want to direct its attention to over the next five years commencing July 2012. Below is a list of these focusing areas in no order of importance. The enumerated focus areas below are explained by divulging the various aspects that need to be corrected.

i. **Economic Development**

Whilst the list is in no order of importance economic development was one of the seven focus areas where the majority of the role players feel the pendulum of the scale should swing to in terms of where the Council of Matzikama Municipality should focus its attention. The realm of economic development includes according to the needs of the role players amongst other, issues around transport, lack of infrastructure, rural development, SMME development, local business support, industry development and beneficiation. However, the main focus of economic development is to create an inclusive economy that reflects the presence of the broader population of the municipal area with the intent to reduce unemployment and poverty.

ii. **Financial Stability**

This focus area looks into the stability of finances of the organization so as to ensure that through effective and efficient management of the organization's finances, Council is able to deliver on its vision. Issues to be addressed include amongst others efficient spending, improved payment culture of the public for services rendered, effective use of assets and improvement of own revenue sources. By directing its attention to this particular focus area Council puts the emphasis on improving the municipality's own revenue sources.

iii. **Good Governance and Municipal Transformation**

Good governance and municipal transformation deals primarily with the effective management of the organization so as to ensure that a good structure follows the strategy of council if the vision is to be achieved. Financial sustainability and good

governance have a reciprocal influence on each other as any impact on the one is felt by each toward the other. Organization design which is the backbone of good governance is the most important weapon to defend the success of any organization hence the inclusion of the issue around the organization's structure to be perfected through the achievement of this goal. The organizations structure entails a number of aspects that needs to be in place and function well and be in harmony with each other. These include amongst others a workable organization chart, the right skills, experience, qualification, capacity, reporting lines, policies, M&E programs, effective communication and good leadership in order of importance. Another aspect of this goal is to realize a good partnership between the Municipality and its social partners namely the Community, private sector and the NGOs so as to give effect to legal composition of a municipality.

iv. Good Quality Municipal Basic Services

This focus area wants to correct issues and concerns related to effective and efficient provision and maintenance of municipal basic services. These services include:

- Water supply and maintenance of infrastructure
- Sewage collection and disposal and maintenance of infrastructure
- refuse removal and maintenance of infrastructure
- Electricity supply and maintenance of infrastructure
- Municipal roads and storm water drainage and maintenance of infrastructure
- Municipal parks and recreation
- Street lighting

Comparatively speaking the Matzikama Municipality is doing well in terms of delivering basic services however, improving the quality of the service and making it more affordable especially to the poorest of the poor is where Council wants to direct its attention to.

v. A Socially Advanced Community

This focus area is concerned with and wants to correct issues pertaining to:

- Education; entails issues pertaining to infrastructure, school drop-outs, teenage pregnancies, language challenges, transport and learners per class challenges
- Health; entails issues pertaining to infrastructure, state doctors, medication, language and ambulance services
- Youth and sports; entails issues pertaining to job creation, empowerment and infrastructure challenges
- Poverty; whilst the issues to be corrected through this goal pertain mainly to unemployment based on the needs of the public it would be highly irresponsible to look at income only. Poverty cannot be measured by income alone, nor can anti-poverty programs only address income enhancing measures. This goal seeks to introduce a correct approach to poverty reduction which would be a multi-sectoral and integrated approach.
- Housing; pertain to issues related to delivery of low-cost housing, gap housing and utilization of vacant building plots
- Social welfare; concerns one overarching issue which is to release people's creative energies to help them achieve their aspirations. Through the achievement of this goal people would be able to devise strategies to address alienation and economic and social marginalization
- Safety; through the accomplishment of this goal Council intends to correct matters pertaining to community safety across the spectrum. Some of these matters of concern include mediocre police services, alcohol and drug abuse especially amongst the youth, and closure of taverns in the residential areas, safety at schools, road safety and safety at public open spaces.

By focussing its attention to these areas of concern Council intends to create a safe, healthy, secure and socially advanced society.

vi. Capacitated and Informed Communities

This focus area seeks to correct ineffective communication between the Municipality and its partners. These partners include Communities, spheres of Government, Non-Governmental Organizations and the Private Sector. Amongst other things, by directing

its attention to this particular focus area Council will essentially correct issues like language barriers, integrate communication across departments and generally improve communication between the Municipality and its partners. Another aspect that this focus area intends to correct is the mediocre social capital reflected in the communities which if improved will essentially increase the value in relationships and build confidence and trust amongst community members.

vii. A Sustainable Natural and Built Environment

This focus area seeks to direct the attention of Council to issues pertaining to environmental, social, and economic challenges. Essentially, by directing its attention to this focus area Council wants to address issues related to a green economy but more so to protect existing and natural assets with the view on sustainable development. Such issues would include amongst others effective and sustainable management of coastal resources, exploring the introduction of projects that is able to raise funds through carbon credits, awareness programs about the reduction of household carbon footprints and encourage the establishment of waste recycling projects.

The tables below reveals the objectives and strategies developed by the Council of the Matzikama Municipality in order to achieve its goals and ultimately its vision over the next five years of its political term. These goals, objectives and strategies find expression in the financial plan of the Matzikama Municipality.

FOCUS AREA NO. 1	
ECONOMIC DEVELOPMENT	
STRATEGIC OBJECTIVE	STRATEGIES
STO 1: Facilitate development and growth of the local economy of the Matzikama municipal area with the intent to create opportunities that will reduce poverty and unemployment	<ul style="list-style-type: none"> • instituting programs and projects to create economic growth and development • providing support for the development and growth of new and existing businesses • developing policies to support the growth of an inclusive economy • implementing programs and projects to support diversification of the economy • promoting tourism growth and development
OUTCOME	
An inclusive economy that reflects the presence of the broader Matzikama population in the mainstream of the local economy	

FOCUS AREA NO. 2	
FINANCIAL STABILITY	
STRATEGIC OBJECTIVE	STRATEGIES
STO 2: To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) to promote long-term financial stability	<ul style="list-style-type: none"> • developing programs and projects to maximise own revenue • maximising revenue by ensuring effective credit control • developing controls to guide capital expenditure ensuring that scarce resources are spent well • utilizing municipal assets to promote revenue • building cohesive communities with the intent to amongst others develop a good payment culture • safeguarding municipal assets to prevent loss of income • maintaining buildings and other infrastructure
OUTCOME	
Wide spread public confidence in municipal financial services	

FOCUS AREA NO. 3	
GOOD GOVERNANCE & MUNICIPAL TRANSFORMATION	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 3: To promote a transparent and caring Municipality that is accountable to its citizens</p>	<ul style="list-style-type: none"> • developing supporting policies to maintain high levels of anti-corruption practices • promoting participatory and transparent government practices by establishing effective public participation structures and processes • developing effective and efficient government practices ensuring economic growth, eradication of poverty and sustainable development • developing an organization structure that is able to deliver the vision of Council • implementing procurement processes that are transparent and beneficial to the local Communities • improving knowledge management in the Municipality
OUTCOME	
<p>All citizens especially the poorest of the poor and other vulnerable groups feel, see and experience the effect of good governance</p>	

FOCUS AREA NO. 4	
GOOD QUALITY MUNICIPAL BASIC SERVICES	
STRATEGIC OBJECTIVE	STRATEGIES
STO 4: To promote access to adequate, affordable and well maintained municipal basic services	<ul style="list-style-type: none"> • analysing available household services with the intent to eradicate all backlogs • continuously strive to lower maintenance costs on basic services to make it more affordable • promoting awareness of household waste management to reduce impact on the environment • developing capacity and skills of personnel to ensure delivery and maintenance of effective and efficient basic services
STRATEGIC OUTCOME	
A clean, aesthetic, well-maintained and good quality living environment for all the citizens of the Matzikama Municipality	

FOCUS AREA NO. 5	
A SOCIALLY ADVANCED COMMUNITY	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 5: To facilitate the development of an environment that maximise the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups</p>	<ul style="list-style-type: none"> • promoting progressive modus operandi to eradicate poverty • promoting the safety of citizens in the Matzikama • promoting the health of citizens in the Matzikama municipal area in line with World Health Organization standards • promoting awareness of road safety and Community safety at large • promoting delivery on housing backlog • implementing integrated human settlement plan • promoting good quality education facilities, infrastructure and standards • supporting developing the youth of Matzikama
STRATEGIC OUTCOME	
<p>A place where the Communities of the Matzikama Municipality living in a healthy, secure and safe environment.</p>	

FOCUS AREA NO. 6	
CAPACITATED AND INFORMED COMMUNITIES	
STRATEGIC OBJECTIVE	STRATEGIES
STO 6: To capacitate all communities to participate in the development processes of the Municipality	<ul style="list-style-type: none"> • promoting informed Communities through effective means of communication • developing responsible, accountable and well capacitated public participation structures • promoting cultural development with the view to build social cohesion • supporting development of conditions under which sports, recreation and arts and culture can be realized for personal growth • Creating opportunities that promote the development of sport • promoting development of an environment that encourages economic activity for arts and culture
STRATEGIC OUTCOME	
A cohesive Community that is well informed and is actively involved in the development, management and implementation of projects and programs of Council	

FOCUS AREA NO. 7	
A SUSTAINABLE NATURAL AND BUILT ENVIRONMENT	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 7: Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets</p>	<ul style="list-style-type: none"> • providing support for sustainable development initiatives at the Olifants River estuary • promoting responsible and effective use of the Matzikama 's coastline • developing supporting policies for integrated coastal zone management • promoting responsible and transparent land use development • encouraging practices to ensure long-term sustainability of natural resource base • developing and managing the built environment of Matzikama • promoting responsible and accountable usage of the Municipality's water resources
STRATEGIC OUTCOME	
<p>A sustainable development path for the Matzikama Municipality supported by well-balanced and integrated economical, social and ecological pillars</p>	

8.2.5 Inter-governmental strategy alignment

The major constraint to service delivery in the Matzikama municipal area can be attributed to the lack of effective inter-governmental relations. Inter-governmental relations in the South African context refer to the interaction of the different spheres of government to give effect to the needs of the people which cut across the functions of all three spheres of government. Local Government according to the South African Constitution has certain powers and functions. Unfortunately, the needs of the Communities are not confined to these powers and functions hence the need for a good working relationship between the three spheres of government. Consultation processes with the Matzikama public is evident of the mediocre performances by sector departments both provincial and national.

Making intergovernmental relations work is not so much a function of aligned strategies as for the past decade all three spheres of government performed well in aligning strategies on paper but failed to meet the needs of the people if the six months consultation processes with the Communities of Matzikama are anything to go by. These challenges however, lie with the ability to practice what we as government preach on paper to give effect to aligned strategies on paper.

Realising the importance of an effective relationship with National and Provincial Governments the Municipality intend to build its strategy on the foundation of a sound relationship with the other two spheres of government. As a government we realized that we need to make institutions both internal and external work better so as to ensure that Council achieve its vision. This basically means doing things different as processes and programs to date has not deliver as it should have. To do that the Municipality will introduce a “Local Intergovernmental Dialogue Forum (LIGDF)”.

The table below shows a clear alignment between the outcomes objectives and goals of National Government, Western Cape Provincial Government and Matzikama Municipality respectively.

NATIONAL GOVERNMENT	WC-PROVINCIAL GOVERNMENT	MATZIKAMA MUNICIPALITY
NO1: : Improved quality in basic education	PSO 2: Improving education outcomes	MSO 5: Facilitate developing an environment that maximize the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups
NO 2: A long and healthy life for all South Africans	PSO 4: Increasing wellness	MSO 5: Facilitate developing an environment that maximize the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups
NO 3: All people in South Africa are and feel safe	PSO 5: Increasing safety	MSO 5: Facilitate developing an environment that maximize the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups
NO 4: Decent employment through inclusive economic growth	PSO 1: Creation of opportunities for growth and jobs PSO 9: Reduce poverty	MSO 1: Facilitating the development of the economic wealth of the Matzikama and the reduction of poverty MSO 6: Capacitate citizens through effective communication and embracing cultural diversities
NO 5: A skilled and capable workforce to support an inclusive growth path	PSO 1: Creation of opportunities for growth and jobs	MSO 1: Facilitating the development of the economic wealth of the Matzikama and the reduction of poverty
NO 6: An efficient, competitive and responsive economic-infrastructure network	PSO 3: Increase access to safe and efficient transport PSO 1: Creation of opportunities for growth and jobs	MSO 1: Facilitating the development of the economic wealth of the Matzikama and the reduction of poverty
NO 7: Vibrant, equitable and sustainable rural communities and food security for all	PSO 1: Creation of opportunities for growth and jobs PSO 7: Mainstreaming sustainability and optimising resource-use efficiency	MSO 1: Facilitating the development of the economic wealth of the Matzikama and the reduction of poverty MSO 4: To promote access to

NATIONAL GOVERNMENT	WC-PROVINCIAL GOVERNMENT	MATZIKAMA MUNICIPALITY
	<p>PSO 11: Creation of opportunities for growth and development in rural areas</p> <p>PSO 9: Reduce poverty</p>	<p>adequate, affordable and well maintained municipal basic services</p> <p>MSO 6: Capacitate citizens through effective communication and embracing cultural diversities</p>
NO 8: Sustainable human settlements and an improved quality of household life	PSO 6: Developing integrated and sustainable human settlements	MSO 4: To promote access to adequate, affordable and well maintained municipal basic services
NO 9: Responsive, accountable, effective and efficient local-government system	PSO 10: Integrating service delivery for maximum impact	<p>MSO 2: Strengthening the Matzikama Municipality's own financial resources to ensure long-term financial sustainability and viability</p> <p>MSO 3: To ensure an effective, transparent and caring Municipality that is accountable to its citizens</p> <p>MSO 4: To promote access to adequate, affordable and well maintained municipal basic services</p>
NO 10: Environmental assets and natural resources that are well protected and continually enhanced	PSO 7: Mainstreaming sustainability and optimising resource-use efficiency	MSO: 7 Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets
NO 11: Create a better South Africa and contribute to a better and safer Africa and world	PSO 8: Increase social cohesion	MSO 3: To ensure an effective, transparent and caring Municipality that is accountable to its citizens
NO 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship	PSO 12: Building the best run regional government in the world	MSO 3: To ensure an effective, transparent and caring Municipality that is accountable to its citizens

8.2.6 The Local Intergovernmental Dialogue Forum (LIGDF)

To give meaning to aligned strategies on paper such as the ones in the table above the council of Matzikama Municipality agreed that intergovernmental relations needs sharpening. For this purpose a forum with representation from Matzikama Municipality, sector departments of Provincial Government as well as relevant sector departments from National Government will form part of the overall strategy. Unlike other intergovernmental relations forums that meet quarterly, three monthly or bi-monthly and discuss issues of a strategic nature the proposed forum will meet more regular and discuss issues pertaining to the strategic objectives of Matzikama Municipality. This initiative will create a finger-on-the-pulse scenario which is what the Municipality need if it wants to give effect to the strategic objectives of Council. More regular reports and feedback will hopefully result in the implementation of projects at a rate faster than current and equip sector departments with information to influence their budget processes. Naturally this will be a working forum that focuses its attention on agreed processes. The table below provides a list of names of provincial and national government departments that would be required to serve on this forum. The table is also indicative of government departments with a footprint in terms of a local office in the municipal area. It is proposed that the forum meet at least bi-monthly hence the need that each department nominate a proxy to its main representative so as to ensure that we have continuity on the forum.

Sector Departments	Prov.	Nat.
Agriculture	✓	
Cultural Affairs and Sports	✓	
Community Safety	✓	
Health	✓	
Social Development	✓	
Education	✓	
Economic Dev. & Tourism	X	
DEA & DP	X	
Human Settlements	X	
Local Government	X	
Transport & Public Works	X	
Premier	X	
Provincial Treasury	X	

Home Affairs		✓
Justice		✓
Correctional Services		✓
Labour		✓
Rural Dev & Land Affairs		✓

For the strategy to be effective and to deliver on its purpose, support from government departments listed above would be vital especially when issues relevant to a particular department form part of the agenda. Matzikama Municipality is of the opinion that unless we introduce the proposed arrangement not much will change in the way government delivers its services.

9. FINANCIAL PLAN

9.1 Overview

Chapter nine of the IDP provides a summary of spending and performance plans of the Municipality's departments and the Council and a three-year receipt and payment projections for 2016/2017. Read this chapter together with the budget tables as well as any other complementary budget documents as presented to Council by the Chief Financial Officer (CFO). The section provides an overview of the 2016/2017 budget and discusses and anticipates budget trends and developments over the current and forthcoming Medium Term Expenditure Framework (MTEF). It also provides a snapshot of Council's development objectives. In addition, it provides an overview of the Municipality's expenditure and revenue challenges.

9.2 Medium Term Expenditure Framework

The Medium-term Expenditure Framework (MTEF) allows for a three-year planning and spending framework, but still retains an annual appropriation by Council. The MTEF planning horizon allows the Municipality to improve planning and to project the impact of development objectives and strategies on future budgets. The financial projections provide details on the receipts and payment projections over the MTEF (2016/17 – 2018/19). The projections also give details on the main, adjusted and revised estimates for the current financial year based on the December 2014 in-year expenditure outcomes and forecasts. Table 1 is a summary of the budget for the period 2012/13 – 2018/19 as well as the annual net surplus or deficit position of the Municipality for the same period.

WC011 Matzikama - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands										
<u>Financial Performance</u>										
Property rates	26 714	28 858	32 574	37 204	40 170	40 170	40 170	45 565	45 476	48 159
Service charges	96 121	109 407	128 031	144 252	142 060	142 060	142 060	156 716	168 716	178 816
Investment revenue	218	231	939	699	1 049	1 049	1 049	1 118	1 187	1 257
Transfers recognised - operational	48 388	45 000	49 640	50 788	52 355	52 355	52 355	52 951	55 901	60 316
Other own revenue	22 672	16 503	21 605	19 272	18 950	18 950	18 950	20 201	21 453	22 719
Total Revenue (excluding capital transfers and contributions)	194 114	199 998	232 790	252 214	254 584	254 584	254 584	276 552	292 733	311 267
Employee costs	70 021	74 336	81 366	92 755	92 692	92 692	92 692	101 586	108 697	116 306
Remuneration of councillors	4 641	5 301	5 642	6 150	6 094	6 094	6 094	6 469	6 870	7 275
Depreciation & asset impairment	12 710	9 094	11 567	11 753	11 753	11 753	11 753	12 529	13 306	14 091
Finance charges	8 019	7 663	7 898	7 763	8 562	8 562	8 562	8 594	8 610	8 492
Materials and bulk purchases	59 706	66 829	73 819	83 483	83 083	83 083	83 083	89 732	96 785	104 392
Transfers and grants	836	880	928	975	975	975	975	1 038	1 102	1 167
Other expenditure	45 549	37 968	44 269	45 454	58 106	58 106	58 106	52 995	53 685	55 970
Total Expenditure	201 482	202 072	225 489	248 334	261 265	261 265	261 265	272 942	289 053	307 692
Surplus/(Deficit)	(7 368)	(2 073)	7 301	3 880	(6 681)	(6 681)	(6 681)	3 611	3 680	3 576
Transfers recognised - capital	47 287	27 593	26 251	24 980	26 084	26 084	26 084	23 703	24 229	25 766
Contributions recognised - capital & contributed assets	–	–	11 560	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	39 919	25 520	45 112	28 860	19 403	19 403	19 403	27 313	27 909	29 342
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	39 919	25 520	45 112	28 860	19 403	19 403	19 403	27 313	27 909	29 342
<u>Capital expenditure & funds sources</u>										
Capital expenditure	45 174	26 968	36 091	29 770	30 478	30 478	30 478	27 077	27 075	28 010
Transfers recognised - capital	45 174	25 797	26 251	24 980	26 084	26 084	26 084	23 703	24 229	25 766
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	1 171	9 839	4 790	4 393	4 393	4 393	3 375	2 846	2 244
Total sources of capital funds	45 174	26 969	36 091	29 770	30 478	30 478	30 478	27 077	27 075	28 010

<u>Financial position</u>										
Total current assets	29 579	18 311	28 580	43 324	31 960	31 960	31 960	42 200	61 409	83 097
Total non current assets	454 321	503 366	542 432	510 384	561 157	561 157	561 157	575 695	589 459	603 373
Total current liabilities	48 223	44 904	41 675	42 817	40 836	40 836	40 836	38 576	42 406	47 141
Total non current liabilities	97 046	94 916	102 368	89 518	105 127	105 127	105 127	105 871	107 634	109 760
Community wealth/Equity	338 632	381 857	426 969	421 373	447 154	447 154	447 154	473 448	500 828	529 568
<u>Cash flows</u>										
Net cash from (used) operating	49 774	30 449	40 441	42 254	36 055	36 055	36 055	29 565	37 714	39 805
Net cash from (used) investing	(44 241)	(23 869)	(27 249)	(25 931)	(26 644)	(26 644)	(26 644)	(22 975)	(22 723)	(23 402)
Net cash from (used) financing	(7 749)	(6 200)	(5 158)	(7 800)	(3 518)	(3 518)	(3 518)	(3 778)	(3 924)	(3 485)
Cash/cash equivalents at the year end	2 319	2 699	10 733	10 326	16 626	16 626	16 626	19 438	30 505	43 423
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	2 319	2 699	10 733	10 326	16 626	16 626	16 626	19 438	30 505	43 423
Application of cash and investments	9 854	14 639	14 813	2 825	15 306	15 306	15 306	4 923	304	(3 924)
Balance - surplus (shortfall)	(7 535)	(11 940)	(4 080)	7 501	1 320	1 320	1 320	14 515	30 201	47 347
<u>Asset management</u>										
Asset register summary (WDV)	454 062	503 206	542 277	510 224	561 002	561 002	575 550	575 550	589 319	603 238
Depreciation & asset impairment	12 710	9 094	11 567	11 753	11 753	11 753	12 529	12 529	13 306	14 091
Renewal of Existing Assets	18	3 515	26 260	11 690	11 618	11 618	11 618	7 590	220	4 220
Repairs and Maintenance	9 496	8 400	8 685	9 852	10 193	10 193	10 342	10 342	10 983	11 631
<u>Free services</u>										
Cost of Free Basic Services provided	–	–	–	13 453	13 459	13 629	14 872	14 872	16 131	17 497
Revenue cost of free services provided	1 117	75	115	104	315	315	315	315	336	356
<u>Households below minimum service level</u>										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	10	11	11	12	12	12	12	12	12	12
Refuse:	–	–	–	–	–	–	–	–	–	–

9.3 Total Receipts

Total receipts for the Municipality consist of transfer receipts from the National Government and Provincial Government i.e. equitable share and conditional grants, as well as the Municipality's internally generated receipts. Transfer receipts from the National Government grew nominally by 4.3 percent from the 2015/2016 full-year forecast to 2016/2017 budget year. Transfer receipts from the Provincial Government declined by 17 percent from the 2015/2016 full year forecast to 2016/2017 budget year. The Municipality's internally generated receipts increased by 4.4 percent between 2015/2016 pre-audited outcome and 2016/2017 revenue projections. Transfers from National Government constitute 23.3 percent or R70.031 million of the total receipts of the Municipality. Transfers from Provincial Government constitute 2.2 percent or R6.593 million of the total receipts of the Municipality. The Municipality's internally generated receipts amount to 74.67 percent or R224.197 million of the total receipts of the Municipality in 2016/2017. Within National Government receipts, 94.4 percent or R44.100 million is allocated as Local Government equitable share and 5.6 percent or R2.594 million as a conditional grant. The total amount of R6.257 million of Provincial Government grants is allocated as conditional grants.

9.4 Total Payments

The main budget provides for total expenditures of R272.942 million in 2016/17, increasing to R289.053 million and R307.692 million in 2017/18 and 2018/19 respectively. Capital expenditure from internally generated funds declined from R4.790 million to R3.375 million in 2015/2016 to 2016/2017 budget year. Capital expenditure funded by transfers from National Government declined from R24.760 million to R23.337 million in 2015/2016 to 2016/2017 budget year. Capital expenditure funded by transfers from Provincial Government increased from R264 thousand to R366 thousand in 2015/2016 to 2016/2017 budget year. Capital expenditure decreased from R30.478 million in 2015/2016 pre-audited outcome to R27.078 million in 2015/2016 budget year.

9.5 Summary of Budget Tables

Information on conditional grants is summarised in Table SA18. Table-A4 sets out a summary of the Municipality's revenue and expenditure by source and type respectively. Table-A3A sets out the summary of the Municipality's revenue and expenditure by municipal vote. Table-A7 is a summary of the Municipality's receipts and payments. Table-A5 provides a summary of the Municipality's capital expenditure by vote and table-A6 gives a summary of the Municipality's financial position. Table-SA25 gives a summary of the Municipality's monthly revenue and expenditure.

Tables SA 3, 4 & 5 summarise the linkages between the strategic objectives and the budget.

9.6 The Budget

Total budgeted revenue and expenditure amounts to R276 552 million and R272 942 million respectively.

9.6.1 Capital Budget

Objective	2015/2016 (R '000)	2016/2017 (R '000)	2017/2018 (R '000)
Infrastructure assets	23 895	23 661	26 676
Community assets	1 354	2 093	0
Intangible assets	0	0	0
Other Assets	1 825	1 321	1 334
Total	27 078	27 075	28 010

Infrastructure assets	2014/2015 (R '000)	2015/2016 (R '000)	2016/2017 (R '000)
Road Transport	12 523	12 333	14 856
Electricity	3 247	2 530	3 560
Water	325	8 799	4 100
Sanitation	7 470	0	4160
Other	330	0	0
Total	23 895	23 661	26 676

9.6.2 Detailed capital budget linking capital expenditure to wards

Municipal Vote/Capital project R thousand	Ref 4	Program/Project description	Project number	2016/17 Medium Term Revenue & Expenditure Framework			Project information	
				Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>								
Vote 6 - Development and Townplanning Services		PC OPGRADEINGS	2162622002				ALL	NEW
Vote 2 - Finance		REKENAAR TOERUSTING & PRINTERS	2162622209	75	100	100	ALL	NEW
Vote 3 - Corporate		REPLACEMENT OF ICT SYSTEMS	2162622842				ALL	RENEWAL
Vote 4 - Community Services		BAKKIE	2412602011					NEW
Vote 4 - Community Services		Gereedskap Onderhoud Geboue	2412612334	93				NEW
Vote 1 - Executive & Council		UPGRADING OF MUNICIPAL HEAD OFFICE	2012012843	100	100	100	ALL	RENEWAL
Vote 1 - Executive & Council		NDPG	2012112195					NEW
Vote 5 - Public Works and Basic Services		2 ML Rouwater dam Klawer WTW	3202032301				6	NEW
Vote 5 - Public Works and Basic Services		Opgradering Klawer WWTW	3002062988				6	RENEWAL
Vote 5 - Public Works and Basic Services		Opgradering Alpha straat Klawer	3102022303				6	RENEWAL
Vote 4 - Community Services		Parks / outdoor Gyms various Towns	2712302177				All	NEW
Vote 5 - Public Works and Basic Services		Dooringbay Slipway	3202112304				2	NEW
Vote 5 - Public Works and Basic Services		Bitterfontein Rioolnetwerk	3002062937				8	RENEWAL
Vote 5 - Public Works and Basic Services		Bou van Sypaadjies Lutzville	3102022108				1	NEW
Vote 5 - Public Works and Basic Services		Klawer house connections electricity 80	3302052305	1 395	-	-	6	NEW
Vote 5 - Public Works and Basic Services		Opgradering van Grootmaak Elektrisiteit en meesterplanne - Vredendal	3302052958	1 605	2 500	3 000	3	NEW
Vote 4 - Community Services		EUREKA BIBLIOTEEK:VEILIGHEIDS OPGRADERING	2402112974				3,4&5	NEW
Vote 4 - Community Services		Book detective sytems	2402622306	170	-	-	ALL	NEW
Vote 4 - Community Services		Bookshelves : Bitterfontein, Lutzville, Uitkyk, Doringbaai	2402622307				ALL	NEW
Vote 4 - Community Services		Carpeting: Vredendal, Lutzville, Uitkyk	2402622308				ALL	NEW
Vote 4 - Community Services		Tables and chairs: Matzikama	2402622309				ALL	NEW
Vote 4 - Community Services		Couches: Vredendal	2402622310				ALL	NEW

Vote 4 - Community Services	Booktrolleys: Uitkyk, Doringbaai	2402622311				ALL	NEW
Vote 4 - Community Services	DORINGBAAI BIBLIOTEEK OPGRADERING	2402332829					RENEWAL
Vote 4 - Community Services	VREDENDAL BIBLIOTEEK OPGRADERING	2402332830					RENEWAL
Vote 4 - Community Services	NUWE VLOER VANRHYNSDORP BIBLIOTEEK	2402332831					RENEWAL
Vote 4 - Community Services	LUGVERSORGERS VIR BIBLIOTEEK(EUREKA)	2402622832					NEW
Vote 4 - Community Services	TOONBANKE VIR BIBLIOTEEK WEENS SLIMS	2402622833					NEW
Vote 4 - Community Services	VREDENDAL BIBLIOTEEK:RAKKE	2402622975					
Vote 5 - Public Works and Basic Services	Dataloggers Bitterfontein ontsoutingsaanleg	3202032979				8	NEW
Vote 2 - Finance	Sedan Motor	2132602011				All	NEW
Vote 4 - Community Services	Vulliskompakteerder	2902672312				All	NEW
Vote 6 - Development and Townplanning Services	Lugversorgers/Meubles vir kantore	2032622004				All	NEW
Vote 6 - Development and Townplanning Services	Computers x 3	2032622002				All	NEW
Vote 6 - Development and Townplanning Services	Office Equipment	2032622014	35	–	–	All	NEW
Vote 5 - Public Works and Basic Services	Installeer stormwater pype by Parkweg -Lutzville	3102022313				1	NEW
Vote 5 - Public Works and Basic Services	KANTOORMEUBELS	3102022813				All	NEW
Vote 5 - Public Works and Basic Services	UPGRADING STORMWATER LUTZVILLE	3102022858				1	RENEWAL
Vote 5 - Public Works and Basic Services	VDAL:UPGRADE & RESEAL OF BUILT ROAD	3102022989				3,4&5	RENEWAL
Vote 5 - Public Works and Basic Services	EBENHAESER:UPGRADE ROADS & STORMWATER	3102022987					RENEWAL
Vote 5 - Public Works and Basic Services	GEREEDSKAP	3102612805				All	NEW
Vote 5 - Public Works and Basic Services	CONCRETE MIXER	3102612807				All	NEW
Vote 5 - Public Works and Basic Services	Omheining van Lutzville stortingsterrein	2902092333				1	NEW
Vote 5 - Public Works and Basic Services	Lutzville Oksidasie damme : Opgradering	3002062332				2	RENEWAL
Vote 5 - Public Works and Basic Services	Bou nuwe publieke toilet by Nuwerus					8	NEW
Vote 5 - Public Works and Basic Services	Vervanging van rioolpomp op riooltrok-CV14381					8	NEW
Vote 5 - Public Works and Basic Services	Opgradering van Chlorine dosering stelsels	3202032316				All	NEW
Vote 5 - Public Works and Basic Services	Telemetry					2	NEW
Vote 5 - Public Works and Basic Services	Vervang ou aerator Vredendal suid WWTW	3002062317				5	RENEWAL
Vote 5 - Public Works and Basic Services	AERATORS	3002062811				6	NEW
Vote 5 - Public Works and Basic Services	RIOOLTROK VIR KUSSTREEK	3002602814					NEW
Vote 5 - Public Works and Basic Services	S'FONTEIN:OPGRADERING OKSIDASIEDAMME	3002062940					RENEWAL
Vote 5 - Public Works and Basic Services	OMHEINING STORTINGSTERREIN LUTZVILLE	3002092815				1	NEW
Vote 5 - Public Works and Basic Services	Rioolpompe vir Matzikama dorpe	3002062809	250	–	160	All	NEW
Vote 5 - Public Works and Basic Services	Pumps Matzikama Towns	3202032810	125	265	50	All	NEW
Vote 5 - Public Works and Basic Services	Generators					All	NEW
Vote 5 - Public Works and Basic Services	Bomag & Wa					6	NEW

Vote 5 - Public Works and Basic Services	Handradios					6	NEW
Vote 5 - Public Works and Basic Services	Water pump	3202032319				6	NEW
Vote 5 - Public Works and Basic Services	Gat vir stortings terrein by Vanrhynsdorp	2902092320				7	NEW
Vote 5 - Public Works and Basic Services	Menger	3102612321				3,4&5	NEW
Vote 5 - Public Works and Basic Services	Waterpomp	3202612322				3,4&5	NEW
Vote 5 - Public Works and Basic Services	DOSEERINGSSTELSEL	3202032812					NEW
Vote 5 - Public Works and Basic Services	NEW 1ML RESERVOIR DORINGBAY	3202032990					NEW
Vote 5 - Public Works and Basic Services	2X10 000L WATER TENKE KLIPRAND	3202112820					NEW
Vote 5 - Public Works and Basic Services	HANDRADIOS	3202822806					NEW
Vote 5 - Public Works and Basic Services	Gereedskap(boor,grinder)	3102612817	26	10	4	3,4&5	NEW
Vote 5 - Public Works and Basic Services	Plavei Hibuscus straat- Lutzville					2	NEW
Vote 5 - Public Works and Basic Services	Vestig spreiligte by Lutzville sportgronde	3302052324				2	NEW
Vote 5 - Public Works and Basic Services	NETWERK OPGRADERING POSKANTOOR	3302052824					RENEWAL
Vote 5 - Public Works and Basic Services	POMPSTASIES VREDENDAL RES (HOOF) POMP	3302052827					NEW
Vote 5 - Public Works and Basic Services	VREDENDAL RES POMPSTASIE(HOOF) PANEEL 2	3302112826					NEW
Vote 5 - Public Works and Basic Services	UPS RADIOS:TORING GIFBERG	3302112828					NEW
Vote 5 - Public Works and Basic Services	GEREEDSKAP-ELEKTRIES	3302612823					NEW
Vote 5 - Public Works and Basic Services	Bou van Taxi rank Mangaung	3102042325				3	NEW
Vote 5 - Public Works and Basic Services	Bou van Toiletgeriewe by begraafplaas - Bitterfontein					8	NEW
Vote 4 - Community Services	Grasbaan vir sokkerveld - Koekenaap					8	NEW
Vote 4 - Community Services	Sokkerpale - Koekenaap	2712312326				8	NEW
Vote 4 - Community Services	Opgradering van kleedkamers - Koekenaap	2712312327				8	NEW
Vote 4 - Community Services	Sokkerpale en nete - Molsvlei	2712312328				8	NEW
Vote 4 - Community Services	Upgrading Ablusion/Pavillion Bitterfontein Sport facilities	2712312863				8	NEW
Vote 4 - Community Services	Mobile Seating for Koekenaap	2712312864				8	NEW
Vote 4 - Community Services	SPORT: V/NOORD	2712312101				3	NEW
Vote 4 - Community Services	SPORT: V/NOORD	2712312101				3	NEW
Vote 5 - Public Works and Basic Services	MEUBELS EN KANTOOR TOERUSTING-STRANDFONTEIN CHALETS	2752622835					NEW
Vote 4 - Community Services	Grondaankope Doringbaaie	2122012329				1	NEW
Vote 4 - Community Services	Toerusting- Lutzville MPRC	2412322041				2	NEW
Vote 4 - Community Services	WHEEL CHAIR RAMPS	2412322840				3	NEW
Vote 4 - Community Services	VANRHYNSDORP UPGRADING OF TOWN HALL	2412322841				7	RENEWAL
Vote 4 - Community Services	EMERGENCY EXIT DOORS	2412322839				3	RENEWAL
Vote 4 - Community Services	LANDFILL SITE ADDITION	2902092862				3	RENEWAL
Vote 5 - Public Works and Basic Services	REPLACEMENT OF BULK METERS	3302052861				3	NEW
Vote 5 - Public Works and Basic Services	REPLACEMENT OF BULK METERS	3302052862				4	NEW

Vote 3 - Corporate	SYSTEMS/PC UPGRADING		120	120	120	ALL	RENEWAL
Vote 4 - Community Services	Bookshelves		60			ALL	NEW
Vote 4 - Community Services	Furniture (Tables, chairs, etc)		80			ALL	NEW
Vote 4 - Community Services	Equipment (Booktrolleys, etc)		56				NEW
Vote 6 - Development and Townplanning Services	Gereedskap	212261	20			All	NEW
Vote 6 - Development and Townplanning Services	Refurbishment of Building control filling system in safe		50	50		All	NEW
Vote 5 - Public Works and Basic Services	CONCRETE MIXER	3102612807	25	–	–	All	NEW
Vote 5 - Public Works and Basic Services	Upgrading Lutzville WWTW		7 220			1	RENEWAL
Vote 5 - Public Works and Basic Services	Rods	3002612808	15	15	5	3,4,5,6,7	NEW
Vote 5 - Public Works and Basic Services	Handradios en Laaiers	3202822806	30	5	–	ALL	NEW
Vote 5 - Public Works and Basic Services	2l Bakkie	3202602011	250			8	NEW
Vote 5 - Public Works and Basic Services	Pomp vir booster pompstasie	320203	120			7	NEW
Vote 5 - Public Works and Basic Services	Telemetri Opgradering	3202032000	80			ALL	NEW
Vote 5 - Public Works and Basic Services	Plavei Busroete Klawer		4 300			6	NEW
Vote 5 - Public Works and Basic Services	Plavei Vredendal Busroete		3 500			3&4	NEW
Vote 5 - Public Works and Basic Services	Plavei Doringbay strate		1 609			2,3,4,5	NEW
Vote 5 - Public Works and Basic Services	Construct stormwater drainage pipe network Phase 1 Lutzville		3 111			1	NEW
Vote 5 - Public Works and Basic Services	Kompakteerders	310261	21			2&6	NEW
Vote 5 - Public Works and Basic Services	Randsnyers	3102612104	20	10		7,8	NEW
Vote 5 - Public Works and Basic Services	Spoodwal in Angelierstraat		3			7	NEW
Vote 5 - Public Works and Basic Services	GEREEDSKAP-ELEKTRIES	3302612823	60	50	20	All	NEW
Vote 5 - Public Works and Basic Services	Opgradering van Kimberliet straat Laagspanning	330205	30			3	RENEWAL
Vote 5 - Public Works and Basic Services	2l Bakkie	3302602011	280			All	NEW
Vote 5 - Public Works and Basic Services	Oprigting van 2 Spreiligte vir Kleinboere (hokke)		77			7	NEW
Vote 5 - Public Works and Basic Services	MEUBELS EN KANTOOR TOERUSTING-STRANDFONTEIN CHALETS	2752622835	15	–	–	2,3,4,5	NEW
Vote 4 - Community Services	Small steel pavilion Koekenaap		197			8	NEW
Vote 4 - Community Services	Small steel pavilion Klawer		400			6	NEW
Vote 4 - Community Services	Grassnyer Trekker	2712612053	80	–	–	2	NEW
Vote 4 - Community Services	Two Wheeteaters (randsnyer)	2712612104	10	10		2	NEW
Vote 4 - Community Services	Masjinerie & Gereedskap	271261	50	50	50	ALL	NEW
Vote 4 - Community Services	Handradios	2712822806	15			ALL	NEW
Vote 4 - Community Services	Meublement	2602622014	15			3,4,5	NEW
Vote 4 - Community Services	Lugversorgers	2602622004	40			All	NEW
Vote 4 - Community Services	Vredendal-noord sportgronde(Toegangsbeheer gebou/ omheining	271231	80			3,4,5	NEW

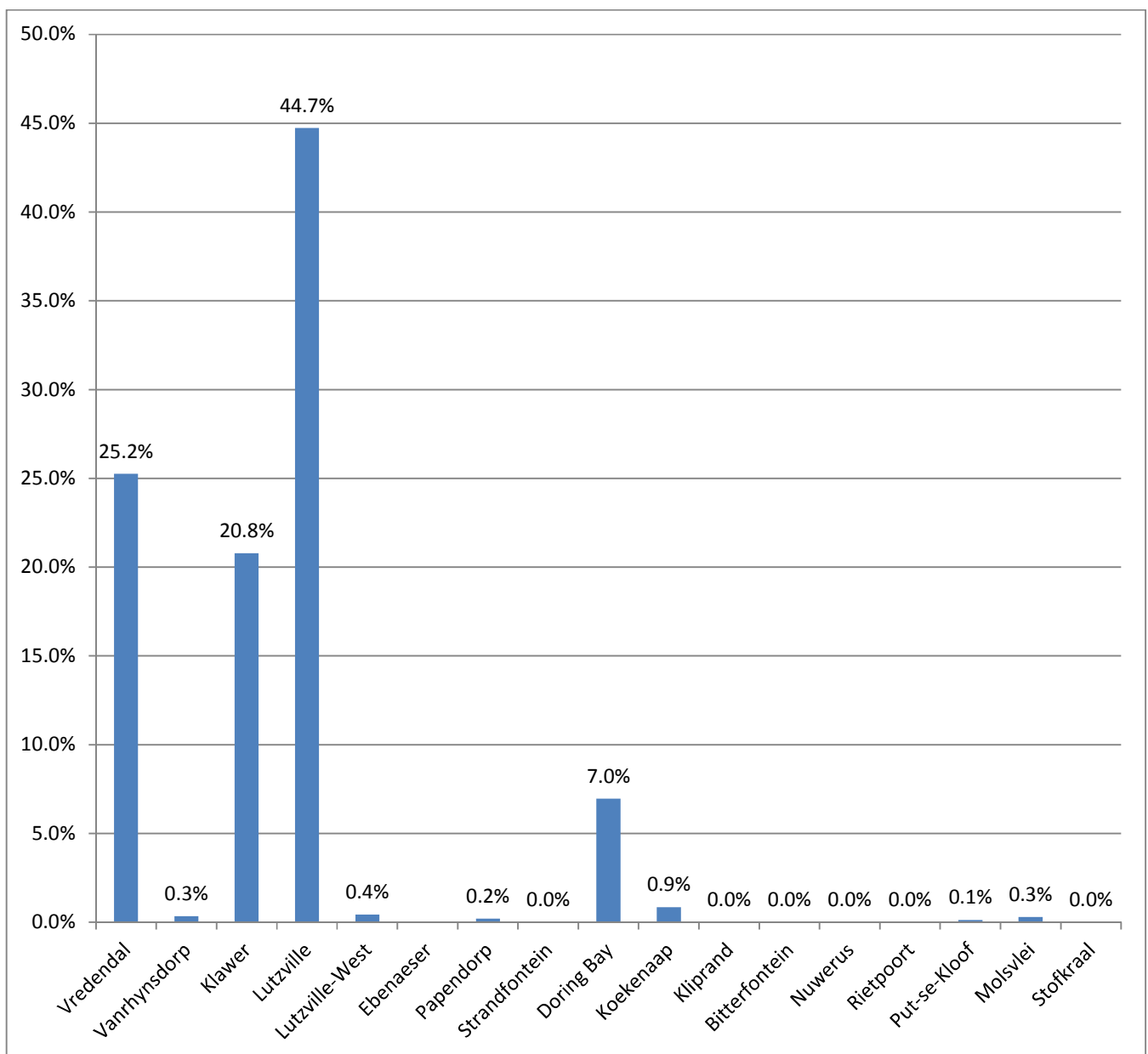
Vote 4 - Community Services	Vestig speelparkie in Lutzville West		100			1	NEW
Vote 4 - Community Services	Opgradeer Speelparkie In Papendorp		50			2	RENEWAL
Vote 4 - Community Services	Vestig speelpark in Mangaung		100			3	NEW
Vote 4 - Community Services	Krieket pitch by sportgronde		130			4	NEW
Vote 4 - Community Services	Speel park by Skuilstraat en Angelierstraat		100			6	NEW
Vote 4 - Community Services	Skuif sokkerveld in Put-se Kloof		30			8	NEW
Vote 4 - Community Services	Opgradeering van kleedkamers en ablusie fasiliteite in Molsvlei		70			8	RENEWAL
Vote 4 - Community Services	Stoele Gemeenskapsale	2412322042	100	100	–	ALL	NEW
Vote 4 - Community Services	Hoëdruk spuit	290261	15			All	NEW
Vote 5 - Public Works and Basic Services	Omheining : Stortingsterrein	290209	330			2,3,4,5	NEW
Vote 5 - Public Works and Basic Services	Voetganger verkeerslig by Grens en Kerk strate		140			5	NEW
Vote 5 - Public Works and Basic Services	New 2ML reservoir Lutzville			5 500		1	NEW
Vote 5 - Public Works and Basic Services	Upgrade WTW Vredendal			3 004		3,4&5 1,2,3,4,5	NEW
Vote 5 - Public Works and Basic Services	Masjinerie & Gereedskap			47	50	,6,8	NEW
Vote 5 - Public Works and Basic Services	Waterkanon vir sportveld			80		8	NEW
Vote 5 - Public Works and Basic Services	Omheining pompstasie			30	50	3,4,5,6	NEW
Vote 5 - Public Works and Basic Services	Plavei Strate Vredendal			4 000		3&4	NEW
Vote 5 - Public Works and Basic Services	Plavei Strate Lutzville			4 000		1	NEW
Vote 5 - Public Works and Basic Services	Plavei Strate Vanrhynsdorp			3 233		7	NEW
Vote 5 - Public Works and Basic Services	Stoor vir gereedskap en toerusting			80		2	NEW
Vote 5 - Public Works and Basic Services	Installeer stormwater pype by Parkweg			1 100		1	NEW
Vote 5 - Public Works and Basic Services	Jackhammer met Compressor			120		8	NEW
Vote 5 - Public Works and Basic Services	Bomag roller en sleepwa			250		6	NEW
Vote 5 - Public Works and Basic Services	Omheining Substasie			30		3,4,5	NEW
Vote 4 - Community Services	New outdoor Gym/Playpark Lutzville wes			996		1	NEW
Vote 4 - Community Services	New outdoor Gym/Playpark Vredendal North(Manguang)			996		3&4	NEW
Vote 5 - Public Works and Basic Services	Masjinerie & Gereedskap			141	100	6,7	NEW
Vote 5 - Public Works and Basic Services	Grassnyers			3	15	6,7	NEW
Vote 5 - Public Works and Basic Services	Upgrading WTWV Ebenhaeser				4 000	2	RENEWAL
Vote 5 - Public Works and Basic Services	Upgrading Lutzville WTW				4 000	1	NEW
Vote 5 - Public Works and Basic Services	Water tenk met pomp op wa gemonteer				140	1	NEW
Vote 5 - Public Works and Basic Services	Kragopwekker				10	6	NEW
Vote 5 - Public Works and Basic Services	Plavei paaie Ebenhaeser (Olifantsdrift)				5 000	2	NEW
Vote 5 - Public Works and Basic Services	Plavei paaie Vredendal				4 766	3,4,5	NEW
Vote 5 - Public Works and Basic Services	Upgrading Stormwater Lutzville Phase 1				5 000	1	NEW

Vote 5 - Public Works and Basic Services		Bakkie				280	2	NEW
Vote 5 - Public Works and Basic Services		Stormwaterpype (Voortrekkerstraat)				90	7	NEW
Vote 5 - Public Works and Basic Services		Venter sleepwa				20	3,4&5	NEW
Vote 5 - Public Works and Basic Services		Vanrhynsdorp straatligte Opgradering				120	7	NEW
Vote 5 - Public Works and Basic Services		Mini Sub 11kV Centraalstraat				200	All	NEW
Vote 5 - Public Works and Basic Services		Vervang Tuin Straat mini 500 kVa				240	All	NEW
Vote 5 - Public Works and Basic Services		Trekker met bak				240	7	NEW
Vote 5 - Public Works and Basic Services		Bou publieke toilette			80	80	8	NEW
Parent Capital expenditure	1			27 077	27 075	28 010	0	-

9.6.3 Capital Budget spend per Town

The bar graph below reveals a clear picture of how the Matzikama Municipality's capital budget is divided between towns. Lutzville received the lion's share of the budget, than Vredendal, Klawer and Doring Bay. The rest of the towns received between 0 and 1%.

Capital spending per town -2016/2017



Due to a shortage of own funds the bulk of the capital budget is dedicated to operational and not strategic activities and initiatives. It is safe to say that the bulk of the capital and operational budget provide for the strategy of Council that speaks to maintenance of existing service levels. Due to the unsatisfactory financial position of the Municipality some of the strategic objectives are not sufficiently provided for in the budget.

9.7 Financial Challenges

Below are some of the challenges faced by the Municipality.

- Cost of providing services in respect of geographic size of the area and tax income capacity generation base;
- Level of disposable incomes;
- Huge service delivery backlogs and demand for communities and subsidized services;
- Ineffective revenue leakage prevention

9.8 Corrective Measures

Proposed turnaround strategy

REVENUE ENHANCEMENTS:

- Sell all available erven and municipal properties
 - Consider selling beehives
 - Consider selling municipal houses
 - Consider selling erven, especially in Strandfontein and Vredendal-South
 - Consider dividing public parks in ward 5 into erven
- Evaluate all vehicles regarding fuel usage and cost of repairs and maintenance and sell vehicles no longer viable
- Identify and sell all broken and redundant movable assets
- Councillors and staff must enter into written agreements with the municipality that all accounts will be paid on or before the due date. Failure to adhere will immediately lead to the deduction of the monthly account via the Salary Offices.

- Traffic officials should be given measurable targets re number of fines to generate on a weekly basis.
- An ongoing programme must be put in place whereby a determined number of households per week are checked for tampering of both electricity and water meters. No reconnection of the supply may take place before the fine is settled in full.
- The review of the various property usage deviations as contained in the Rates Act must be scrutinised to ensure that the income from the various industries are maximized.
- Utilise software developed by MGV to assist in identifying any unmetered properties through using layering of the deeds data and the financial data.
- Debt collection should be enhanced:
 - Ward Councillors should emphasize the importance of paying municipal accounts at every interaction with their constituency.
 - Ward Committee members must be encouraged to go house to house to emphasize the importance of paying municipal accounts to the residents of the municipal area.
 - Masakhane officials should provide better reports and statistics regarding the number of homes they visited and the results of each visit.
 - The offered co-operation of the lawyers in Matzikama must be taken up to do the collections based on a percentage basis.
 - No political interference must take place when electricity have been disconnected or blocked or when the lawyers start taking action.
- Rental of all properties must be re-evaluated to ensure that they are market related, including the usage of sport facilities by the sport clubs.

COST SAVING MEASUREMENTS

- All S&T payments will be done via ACB transfers, no cheques will be made out to any staff member for any payment.
- Any hotel costs over R 1000 per night must be motivated in writing and signed off by the municipal manager.

- The indigent members of the public should be encouraged to report all water leaks, even on their side of the meter. Early action preventing water losses will result in a slowdown of bad debts.
- All vehicles using more than a baseline kilolitre per 100 km's of fuel should be identified, an investigation must be done to determine if the department cannot manage without that vehicle. If the department can motivate the necessity of that vehicle, consideration should be given to selling the vehicle on auction and replacing it with a more fuel efficient vehicle.
- The monitoring of overtime against the vehicle reports must continue.
- No overtime payments must be made to staff earning over the baseline salary as per legislation.
- Overtime payments to all staff members must only be done in exceptional circumstances; all staff should be encouraged to make use of the option to take the time off.
- Vehicle reports should be scrutinised by the respective managers to ensure that abuse of vehicles are not taking place, municipal vehicles should not be seen at shops, doctors' offices or carting children to and from school. Any such action must be met with immediate disciplinary action.
- Trips to the DMA should be co-ordinated to ensure efficiency.
- An analysis should be done regarding all printing costs of the municipality, including the costs of replacing ink cartridges and logging tickets with MNS. The costs should be compared to the costs associated with the leasing of printers and copiers with full service and maintenance contracts included.
- Year tenders must be encouraged for all items bought on a regular basis and the contracts must stipulate that no increases in the prices may take place during the contract period. Strict service level agreements must also be entered into whereby non-performance or sub-standard performance will result in non-payment.
- The cost of printing the monthly bills via CAB Holdings should be investigated with consideration being given to obtaining the required equipment to do the printing in house. Printing and distributing of all PR communications can then also be done in house and distributed with the monthly accounts.

- Recycling of paper should be encouraged and strict control should be taken regarding the number and nature of stationary purchases being made.
- Reports should be generated showing the number of prints and copies made by every staff member, the reports must be scrutinised by management to ensure that no abuse of facilities are taking place.
- The detailed summaries of telephone expenditure per staff member currently being provided to the Directors should also be provided to the Municipal Manager on a monthly basis.
- The telephone system should be investigated to determine whether monthly 'budgets' cannot be placed on the various officials relating to their job requirements.
- An investigation should be done to ensure that all the indoor lights and air conditioners are automatically switched off at a certain time of the day in the offices. Should a official still be working, they should then be able to just switch on their light again.

9.9 Linking Matzikama Strategic Objectives with the Budget (Revenue)

Strategic Objective	Goal	Goal Code	Ref	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
To facilitate development and growth of the local economy of the Matzikama municipal area with the intent to create opportunities that will reduce poverty and unemployment	Local Economic Development			878	565	565	483	513	543
To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability			109 002	114 805	114 805	119 680	123 912	132 347
To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance & Municipal Transformation			6 272	6 244	6 244	5 251	5 690	6 131
To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services			144 257	142 090	142 090	156 749	168 750	178 853
To facilitate the development of an environment that maximise the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups	A Socially Advanced Community			16 785	16 964	16 964	18 092	18 098	19 160
To capacitate all communities to participate in the development processes of the Municipality	Good Governance and Public Participation			-	-	-	-	-	-
Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets	A sustainable Natural and Built Environment			-	-	-	-	-	-
				-	-	-	-	-	-
Allocations to other priorities			2						
Total Revenue (excluding capital transfers and contributions)			1	277 194	280 668	280 668	300 255	316 962	337 033

9.10 Linking Matzikama Strategic Objectives with the Budget (Operating Expenditure)

Strategic Objective	Goal	Goal Code	Ref	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
To facilitate development and growth of the local economy of the Matzikama municipal area with the intent to create opportunities that will reduce poverty and unemployment	Local Economic Development		2	878	565	565	483	513	543
To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability			109 002	114 805	114 805	119 680	123 912	132 347
To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance & Municipal Transformation			6 272	6 244	6 244	5 251	5 690	6 131
To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services			144 257	142 090	142 090	156 749	168 750	178 853
To facilitate the development of an environment that maximise the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups	A Socially Advanced Community			16 785	16 964	16 964	18 092	18 098	19 160
To capacitate all communities to participate in the development processes of the Municipality	Good Governance and Public Participation			–	–	–	–	–	–
Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets	A sustainable Natural and Built Environment			–	–	–	–	–	–
				–	–	–	–	–	–
Allocations to other priorities									
Total Revenue (excluding capital transfers and contributions)			1	277 194	280 668	280 668	300 255	316 962	337 033

9.11 Linking Matzikama Strategic Objectives with the Budget (Capital Expenditure)

Strategic Objective	Goal	Goal Code	Ref	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
To facilitate development and growth of the local economy of the Matzikama municipal area with the intent to create opportunities that will reduce poverty and unemployment	Local Economic Development	A		75	163	163	35	–	–
To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	B		245	265	265	75	100	100
To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance & Municipal Transformation	C		225	173	173	290	270	220
To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	D		16 040	17 692	17 692	12 022	11 606	12 125
To facilitate the development of an environment that maximise the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups	A Socially Advanced Community	E		11 685	10 685	10 685	14 656	15 099	15 565
To capacitate all communities to participate in the development processes of the Municipality	Good Governance and Public Participation	F		–	–	–	–	–	–
Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets	A sustainable Natural and Built Environment	G		1 500	1 500	1 500	–	–	–
		P				–	–	–	
Allocations to other priorities			3						
Total Capital Expenditure			1	29 770	30 478	30 478	27 077	27 075	28 010

10. GOVERNMENT SPEND & SUPPORT IN MATZIKAMA



11. IMPLEMENTATION

11.1 Alignment of strategic Objectives

The table below provides a very clear picture of the linkages between the strategic objectives of Council and the Budget. Moreover, it shows how the budget is linked to the Service Delivery and Budget Implementation Plan (SDBIP) and finally the linkages between all of the above to the Provincial Strategic Goals and the National Development Plan. Read the table below in conjunction with the Budget and SDBIP.

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	16/17	17/18	18/19			
Facilitate development and growth of the local economy of the Matzikama municipal area with the intent to create opportunities that will reduce poverty and unemployment	8 467	9 011	9 626	<ul style="list-style-type: none"> – Number of temporary jobs opportunities created – Number of business entities established 	<ul style="list-style-type: none"> – Create opportunities for growth and jobs – Improve education outcomes and opportunities for youth development 	<ul style="list-style-type: none"> – Economy and employment – Economic infrastructure – Improving education training and innovation
To expand and grow the Matzikama Municipality's Internally Generated Funds	39 265	40 886	42 480	<ul style="list-style-type: none"> – Financial viability measured in terms of the municipality's 	Embed good governance and integrated service delivery through	<ul style="list-style-type: none"> – Building a capable and developmental state

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	16/17	17/18	18/19			
(IGF) with the intent to promote long-term financial stability				<p>ability to meet its service debt obligations (Total operating revenue- operating grants received)/debt service payments due within the year)</p> <ul style="list-style-type: none"> – Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) – Financial viability measured in terms of the available cash to cover fixed operating expenditure (Available cash+ investments)/ Monthly fixed operating expenditure) 	partnerships and spatial alignment	
To promote a transparent and caring Municipality that	31 733	33 842	36 011	– Number of people from employment	Increase wellness, safety and tackle social ills	<ul style="list-style-type: none"> – Health care for all – Social protection

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	16/17	17/18	18/19			
is accountable to its citizens				<p>equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan</p> <ul style="list-style-type: none"> – The percentage of the municipality's operational budget actually spent on implementing its workplace skills plan by 30 June 2016 [(Actual amount spent on training/total operational budget)x100] – Review the municipal organogram and submit to council by the 30 June 2016 		<ul style="list-style-type: none"> – Building safer communities – Nation building and social cohesion

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	16/17	17/18	18/19			
To promote access to adequate, affordable and well maintained municipal basic services	154 027	162 541	173 882	<ul style="list-style-type: none"> – Number of formal residential properties that which are billed for water or have pre paid meters that is connected to the municipal water infrastructure network at 30 June 2016 – Number of formal residential properties which are billed for electricity or have pre paid meters at 30 June 2016 (excluding Eskom areas) – Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) which are billed for 	<ul style="list-style-type: none"> – Create opportunities for growth and jobs – Enable a resilient, sustainable, quality and inclusive living environment 	<ul style="list-style-type: none"> – Economic infrastructure – Transforming human settlements

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	16/17	17/18	18/19			
				sewerage at 30 June 2016		
To facilitate the development of an environment that maximise the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups	66 427	69 742	73 590	– Develop ward plans to be included in the IDP by 31 March 2016	Increase wellness, safety and tackle social ills	<ul style="list-style-type: none"> – Health care for all – Social protection – Building safer communities – Nation building and social cohesion
To capacitate all communities to participate in the development processes of the Municipality	100	106	112	<ul style="list-style-type: none"> – Hold training sessions for the members of the LED forum by 31 March 2016 – Hold ward committee training sessions 	<ul style="list-style-type: none"> – Improve education outcomes and opportunities for youth development – Create opportunities for growth and jobs 	Improving education training and innovation
Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets	1500	1500	1500	– Spend 100% of the DWS subsidy for the upgrade of the Desalination Plant in Bitterfontein by 31 March 2016 {(Actual expenditure divided by the subsidy received)x100}	<ul style="list-style-type: none"> – Create opportunities for growth and jobs – Enable a resilient, sustainable, quality and inclusive living environment 	<ul style="list-style-type: none"> – Transforming human settlements – Environmental sustainability and resilience – Economic infrastructure

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	16/17	17/18	18/19			

